
ENTREPRENEURSHIP, TRADE AND EXCHANGE ACTIVITIES

RECEIVED:

16 June 2025

ACCEPTED:

18 September 2025

RELEASED:

20 October 2025

 **CC BY 4.0**[UDC 005.322:316.46+005.336.1\]\(669.1\)](#)[DOI 10.26661/2522-1566/2025-3/33-14](#)

**ENTREPRENEURIAL LEADERSHIP AND WORKFORCE EFFICIENCY AMONG
MICRO-ENTERPRISES (MES) IN SOUTHWEST, NIGERIA****Yusuf Ismaila***Ph.D., Acting Head**Department of Business and Entrepreneurship**Kwara State University**Malete, Nigeria**ORCID [0009-0008-9421-9164](#)***Mustapha Rahman***Ph.D., Acting Dean**Department of Business and Entrepreneurship**Kwara State University**Malete, Nigeria**ORCID [0009-0003-0560-2924](#)***Opatola Abolade Muritala****Ph.D. Student**Department of Business and Entrepreneurship**Kwara State University**Malete, Nigeria**ORCID [0000-0002-3003-7555](#)***Corresponding author email: opatolabolade@gmail.com*

Abstract. In the manufacturing sector, entrepreneurial leadership particularly in micro-enterprises is believed to have a major impact on workers' efficiency, boosting output and performance. However, the majority of Nigerian micro-businesses seem to have inefficient employees, which has an impact on the business's overall success. Micro-businesses in southwest Nigeria need a way to boost employees' productivity and boost overall performance, and this can be achieved through entrepreneurial leadership. This study's primary goal is to investigate how workforce efficiency in micro-enterprises in Southwest Nigeria is affected by entrepreneurial leadership. The study employed a cross-sectional survey research approach. 398 respondents were chosen for the study using convenient and purposeful sampling approaches. A closed-ended questionnaire was used to collect the data, and PLS-SEM was used for analysis. A t-value of 7.40 and a p-value of 0.000 indicate that the results demonstrated that entrepreneurial leadership significantly affects the workforce efficiency among micro-enterprise owner-managers in Southwest Nigeria's manufacturing sector. According to the study's findings, micro-business owners and managers who value and embrace entrepreneurial leadership will be able to stay ahead of the curve in terms of consumer trends and shifts, carve out distinctive niches in crowded markets, and maintain workforce efficiency; all of which are critical components of a firm's competitiveness. The study suggests that in order to face dynamic global business issues and maintain market competitiveness, companies should support entrepreneurial leadership as a contemporary and millennium idea that would enhance workers' performance effectively and efficiently.

Keywords: entrepreneurial leadership, workforce efficiency, micro-enterprises (MEs).**JEL Classification:** L26, J24, M12, O15.

INTRODUCTION

Particularly in the age of growing globalization and market competitiveness, the effect of entrepreneurial leadership on workers' efficiency is a topic that has begun to attract attention. In order to stay up with extremely complicated situations, entrepreneurial leadership entails the way organizations are set up to allow them to take advantage of new opportunities and improve their capacity to create the necessary diversity (Sawaeen et al., 2021). The term "entrepreneurial leadership" describes a leader's entrepreneurial standing. Put another way, Entrepreneurial leadership is characterized by a leader's ability to take risks, evaluate opportunities, be innovative, productive, flexible, and strategic (Udofia et al., 2022). To put it briefly, entrepreneurial leadership is a synthesis of entrepreneurship and leadership. Entrepreneurial leaders manage, inspire, and guide others to find entrepreneurial possibilities in order to accomplish organizational goals. They try to increase the labour efficiency of numerous industries, including micro-enterprises (MEs), by taking a proactive approach to recognizing possibilities and concentrating on their aptitudes and competencies to take advantage of them creatively. Given that business owners' or managers' leadership behaviors are crucial in providing the necessary guidance and clear vision, which has a significant impact on employees' productivity, entrepreneurial leadership is even more crucial in an economy's micro-enterprise sector.

An entrepreneurial leader concentrates on managing a company's material and human resources by guiding subordinates to guarantee the necessary staff members' dedication to achieving performance. Even in unpredictable situations, entrepreneurial leaders have demonstrated their capacity to foster creativity and spot undiscovered business prospects (Pauceanu et al., 2021). Therefore, in a dynamic business climate that is unexpected and competitively volatile, entrepreneurial leadership is an indispensable type of leadership. When managing their own business, the leader sees themselves as entrepreneurs (Sandybayez, 2019). Therefore, it describes a high degree of self-confidence in leadership combined with the actions of entrepreneurs in pursuing the goals and objectives of an enterprise. Instead than being controlled by environmental factors, they assume responsibility for creating an environment where things naturally form their order of affairs and respond innovatively adapt to changes in the outside world. Entrepreneurial leadership is crucial for encouraging organizational innovation (OI) and creativity in the setting of environmental dynamism, which in turn boosts business performance (BP) (Paudel, 2019). As a result, entrepreneurial leadership varies from other leadership styles, is required in a volatile and competitive environment, and may be connected to employee productivity in the microenterprise sector.

Workforce efficiency is the capacity of employees to produce the most with the least amount of wasted time or money. Workforce efficiency is the capacity of an employee to optimize their resources to achieve their objectives (Zhenjing et al., 2022). Employee efficiency is the degree to which an employee does their job effectively, increasing productivity. An efficient worker knows how to manage their time and energy to complete everyday tasks and is productive. They do not waste time or resources excessively. Numerous elements, including motivation, skills, knowledge, experience, and others, influence workforce efficiency. You can use the same resources to generate more if you can get people to do the right things in the right way. Stated differently, working efficiently will unavoidably result in a better business outcome at a cheaper cost. Because it can save time and money, efficiency is crucial in the workplace. There must be a plan for what needs to be done in order to be efficient. Efficiency can be increased by a variety of strategies, including employing checklists, dividing work into manageable chunks, and establishing deadlines. One of the most difficult tasks for any manager or owner of a business is increasing worker or employee efficiency. In Nigeria's small and medium-sized businesses, including micro-enterprises, entrepreneurial leadership has been recognized in the body of existing literature as one of the millennium solutions to these problems related to the dynamic and competitive global business world of today (Tersoo et al., 2020; Campos, 2021).

Throughout Nigeria, the federal and state governments have been encouraging people to start micro-businesses in various families for more than 20 years. Despite this admirable understanding, workers' productivity in this industry is nonetheless concerning and lacking. This might be because, as Hann (2013) notes, an entrepreneur's leadership style has a substantial impact on the expansion and accomplishment of their company. This claim has caused a number of issues for those involved in Nigeria's micro-enterprise sector, which may be because there is a dearth of clear entrepreneurial leadership that may improve workers' productivity. These leadership issues have led to issues in the industry, including low performance and productivity, poor work-life balance, low employee health and well-being, and a reluctance or fear of taking risks. These difficulties have a major detrimental impact on the survival, expansion, development, and sustainability of this crucial industry, which is known to create jobs, encourage innovation, and make a substantial contribution to the GDP of a populous nation like Nigeria.

Research has established the positive effects of entrepreneurial leadership on the growth and sustainability of micro-enterprises, MSME's, employees' innovative behavior, performance, work-life balance, productivity, and well-being (Al Mamun et al., 2018; Tersoo et al., 2020; Okoronkwo, 2021; Bilal et al., 2022; Abdullah et al., 2023; Danladi & Sabur, 2024). Even while entrepreneurial leadership has the potential to provide favorable organizational results, little is known about how it affects workforce productivity in micro-enterprises, which is a major gap in the body of existing studies. Additionally, a number of studies have examined the relationship between entrepreneurial leadership and other organizational outcomes in diverse regions and segments, including Al Mamun et al. (2018), Lin and Yi 2020, Tsetim 2020, Ishak et al. 2021, Nguyen 2021, Hussain and Li 2022, and Karnsomdee and Phongkaew (2023). However, there are not many that concentrate exclusively on micro-enterprise owners in Southwest Nigeria. Nevertheless, there is little empirical data in the literature currently in publication to help micro-business owners optimize their leadership strategies in order to increase workers' productivity. By examining the effect of entrepreneurial leadership on workforce efficiency among micro-enterprises in southwest Nigeria, the current study aims to close this gap in the literature.

RESEARCH OBJECTIVE

The main objective of this study is to examine the impact of entrepreneurial leadership on workforce efficiency among micro-enterprises in southwest, Nigeria.

Research Hypothesis

Entrepreneurial leadership does not significantly impact the workforce efficiency of micro-enterprises in southwest, Nigeria.

LITERATURE REVIEW

Entrepreneurial Leadership

A fresh and contemporary style of leadership that blends leadership abilities and an entrepreneurial spirit is called entrepreneurial leadership (Harrison et al., 2018; Felix et al., 2019). It entails coordinating and inspiring a team to accomplish a shared goal through creativity, risk mitigation, opportunity exploitation, and dynamic organizational environment management (Coccia & Watts, 2020). Entrepreneurial leadership is defined by Harrison et al. (2018) as motivating and guiding employee performance toward the accomplishment of organizational goals, which ultimately results in business expansion. Entrepreneurial leadership should incorporate both leadership potential and entrepreneurial talents that foster innovation, according to Boukamcha (2019). According to Back and Bausch (2019), the connection between product innovation and entrepreneurial leadership should not signal the conclusion of an intellectual journey; rather, it is mostly dependent on corporate executives. The aforementioned makes it abundantly clear that the

idea of entrepreneurial leadership is mostly based on an individual's capacity to think creatively and has abilities that result in profitable ventures that improve a company's performance.

In a similar vein, entrepreneurial leadership has been suggested by De Winnaar and Scholtz (2019) as a leading approach to find entrepreneurial possibilities. This kind of thinking encourages employees and business owners to take entrepreneurial actions, which improves company performance (Harrison et al., 2018). According to Ravet-Brown, Furtner, and Kallmuenzer (2024), the ability to influence others to strategically manage resources in order to identify and demonstrate opportunity and advantage-seeking behavior is known as entrepreneurial leadership. The process of creating an entrepreneurial vision and inspiring a team to execute it swiftly and under erratic circumstances is another definition of entrepreneurial leadership (Ahmed & Harrison, 2022). Proactiveness, which includes taking advantage of opportunities and taking responsibility for mistakes, anticipating future issues and the need for change, and reacting to environmental opportunities, is one of the three primary components of this definition (Barlette & Barlette, 2022, Kuratko, 2017). From the foregoing, it can be resolved that entrepreneurial leadership is the process of cultivating a more appropriate attitude that maximizes business growth in order to stay afloat in the face of competition, particularly in a dynamic and tumultuous environment.

According to Claudino et al. (2017), innovativeness is the quality that sets entrepreneurs apart from those who aspire to work for themselves. It is the capacity and propensity to exercise creativity in thought, generate original and practical ideas in opportunity recognition, resource utilization, and problem solving. Risk-taking is the readiness to accept uncertainty and assume future-related responsibilities (Naushad, 2021). One of an entrepreneurial leader's characteristics in the initial phases of the business is taking risks, but these risks should be taken carefully (West, 2024). Entrepreneurs who want to be successful should look for opportunities to exercise and assimilate all of the skills related to the components of entrepreneurial leadership. Anning-Dorson (2021) further noted that the micro-enterprises' leaders' actions are related to leadership, which is the key factor that propels every company. According to the researcher, taking risks is still a crucial part of innovation, which is obviously and significantly linked to the idea of entrepreneurial leadership that boosts workers' productivity in a contemporary company.

Workforce Efficiency

The ability of workers to generate high-quality work while reducing waste and maximizing resources is known as workforce efficiency, and it is an essential element of the success of an organization (Ajen-Alamonia 2022). The characteristics of the modern workforce include technical improvements, globalization, and diversity. To foster a sense of camaraderie in the workplace, managing this evolving workforce calls for flexibility, smart leadership, and good communication (Choi & Jung, 2017). By providing training, development opportunities, and performance management systems that foster employee growth and development, human resource development plays a critical role in increasing workforce efficiency (Gupta, 2023). In order to increase labor efficiency, studies like Ruth et al. (2019) and Choi and Jung (2017) have highlighted the significance of employee engagement, flexible work schedules, and strategic leadership. Additionally, it has brought attention to the necessity for businesses to adjust to the evolving workforce and use technology to improve output and efficiency (Jibir et al., 2023). The maximum number of tasks and labor finished with the least amount of time and effort is known as work efficiency. High levels of production can result from exceptional job efficiency (Kumar & Gulati, 2010). Because increasing employee productivity can lead to commercial success, organizations may frequently support this behavior (Hogan et al. 2022). It is sufficient to say that an employee's effectiveness in a company is based on the caliber of work completed in order to reduce needless waste within the allocated period.

Employee productivity at work has long been seen as one of the key indicators of a business's overall success. Employees provide their businesses a competitive edge in the marketplace. Employees are highly valued by organizations since their work directly affects the company's performance. Therefore, if companies want to see favorable outcomes, they must invest in their

employees' workplace productivity (Jibir, Abdu, & Buba, 2023). Because employee performance affects organizational success, it is critical for firms to recognize the factors that will impact employees' performance. All sizes of businesses, but particularly micro- businesses, have been essential to the economy's growth. The industry gives the unemployed a good starting point by offering a variety of job opportunities. The growth of small and medium-sized businesses, which make up the micro-enterprise sector, is correlated with their success (Salami, Ekakitie, & Ebinim, 2023). Employees in the micro-enterprise sector will be better equipped to support the expansion and prosperity of their employers if they can enhance their performance. Therefore, it is mostly dependent on employees' effective and efficient contributions to the improved development of organizations, particularly micro-enterprises.

Theoretical Review

Resource-Based View Theory (RBV)

Penrose first put forth the resource-based view theory in 1959, and Wenerfelt helped popularize it in 1984 (El Nemar et al., 2022). The RBV makes the assumption that businesses have their own resources, some of which enable them to gain a competitive edge, while other resources place them in a leadership position and ensure their performance over a long duration. The explanation of performance differences in organizations is the main focus of this theory. According to this perspective, Ohimor (2022) acknowledges resources as the competency and enabling environment that the company employs to outperform its competitors, identify other competitive difficulties, and react to these challenges as well as market opportunities or threats. Maintaining your position as the market leader is crucial. The resource-based approach also holds that while businesses are composed of vast amounts of resources, each firm has a unique set of these resources. A certain amount of resource heterogeneity in its stock of resources that they may control is necessary for both achieving competitive advantage and ensuring its sustainability; otherwise, it will be difficult to copy and replace, and its supply will be fixed or inelastic (Sousa et al., 2021). Therefore, it is widely believed that one of an organization's most important assets is its human capital, which includes the capital, skills, abilities, and capacity needed to drive innovation in order to outperform rivals and maintain leadership in a dynamic, unstable, and volatile environment.

According to Hansen and Wernerfelt (1989), there have been differences in RBV performance amongst businesses in the same industry as well as within industrial groupings (Cool & Schendel, 1988). These findings imply that performance may be significantly impacted by firm-specific, individual resources. The findings further support Grants's (1991) argument that the RBV is a theory that views organizations from the inside out. The efficiency level of internal resources determines a firm's capacity to outperform one another. This indicates that microbusinesses led by individuals with the appropriate entrepreneurship leadership qualities typically outperform those without such leaders.

According to the study, this theory is helpful and pertinent to entrepreneurship practices since it clarifies how entrepreneurial leadership affects workforce productivity through leveraging internal resource identification and utilization, strategic capability development, and entrepreneurship culture. According to the theory of entrepreneurial leadership, leaders with distinct skills, knowledge, and abilities can increase workforce efficiency by raising productivity, improving employee engagement, and eventually giving their employees a sustainable competitive edge by concentrating on helping them develop and use their skills and abilities among local microenterprises.

Notwithstanding its significance, the RBV theory has many drawbacks. To start, it has trouble with empirical testing because it is hard to define and quantify resources, particularly intangible ones. Second, the theory has trouble taking into consideration external factors that affect competitive advantage and dynamic resource changes. The RBV was also criticized for assuming that resources are static and for concentrating on internal resources.

Empirical Review

The impact of entrepreneurial leadership, entrepreneurial orientation, and technological innovation competence on the performance of SMEs was explored empirically by Nguyen (2021). This study examined how the relationship between entrepreneurial leadership and the performance of microenterprises is mediated by internal organizational elements such as entrepreneurial orientation, team creativity, dynamic capacities, and competitive advantage. 182 small and medium-sized IT businesses that operate in Quang Trung Software City, Ho Chi Minh City, Vietnam, were selected at random for the study using a cross-sectional design. The findings showed that the performance of IT micro-enterprises may be improved by entrepreneurial leadership through the full utilization of team creativity, dynamic capabilities, and competitive advantages. Technological innovation capabilities can offer certain advantages, but entrepreneurial mindset has no effect on SMEs' commercial performance. Furthermore, the relationship between entrepreneurial leadership and the performance of microenterprises is not mediated by entrepreneurial orientation. Despite the findings, it is noted that the study overlooked factors that offer valuable insights and suggestions for managing and encouraging greater entrepreneurial inspiration, such as the impact of entrepreneurial leadership on workforce productivity, particularly in the understudied sector of micro-enterprises.

In the northeastern part of Thailand, Karnsomdee and Phongkaew (2023) look into how entrepreneurial leadership affects public entrepreneurship and organizational performance as well as how public entrepreneurship affects the organizational performance of local administrative organizations. This study used a cross-sectional questionnaire design. A scale questionnaire was used to gather data from 400 participants, and validity and reliability studies were performed. According to the study, public entrepreneurship is significantly impacted directly by entrepreneurial leadership. The performance of organizations is significantly impacted directly by entrepreneurial leadership. To transform Thailand's public sector into a competitive public entrepreneurial sector, local administrative organizations should support leadership styles with an entrepreneurial orientation in order to achieve the intended public results. Despite the findings' significance and relevance, the study did not examine the relationship between workforce efficiency and entrepreneurial leadership in a populous African nation like Nigeria.

Mohammed et al. (2023) examined the moderating role of creative work practices on the relationship between entrepreneurial leadership and competitive advantage. A survey questionnaire and primary quantitative study with a sample size of 560 were developed in order to collect data on Jordan's retail sector. The analysis indicates that entrepreneurial leadership has some influence on the cost advantage, service variety advantage, and service quality advantage. Additionally, it was crucial to moderate concept exploration in the context of the service quality advantage associated with entrepreneurial leadership. Lastly, the link between entrepreneurial leadership and cost advantage and service quality advantage was minimal, whereas the moderation of concept execution was statistically significant for the service variety advantage. More research is required to completely understand how entrepreneurial leadership could boost the workforce efficiency of micro-enterprises, a crucial industry in Africa like Nigeria, even though the study has added a fresh discovery to the body of current literature.

Al Mamun et al. (2018) examined the effects of entrepreneurial leadership traits (i.e., responsibility, accountability, analytical thinking, and emotional intelligence) on the performance and sustainability of micro-enterprises using the RBV theory as a theoretical framework. The study employed a cross-sectional design, and data was randomly collected from 403 micro-entrepreneurs in Kelantan, Malaysia. According to the study's findings, micro-enterprise performance, accountability, and analytical thinking all significantly improved sustainability among low-income households' micro-enterprises in Kelantan, Malaysia. At the same time, micro-enterprise performance was positively impacted by responsibility, accountability, and emotional intelligence. The findings also demonstrated that micro-enterprise performance acted as a substantial mediating factor in the links between micro-enterprise sustainability and the characteristics of responsibility, analytical thinking, and emotional intelligence. The results of the study enhance our understanding of the relationship between sustainability, performance, and leadership, particularly in the context

of microbusinesses in developing countries, and expand the applicability of RBV theory. Despite this important information addition, the study has drawn criticism for neglecting to take into account how entrepreneurial leadership affects labor productivity in the African microenterprise sector.

Lin and Yi (2020) examined the influence of EL on-efficacy outcomes at different levels and the modifiers of this relationship using a meta-analysis of 35 empirical studies with 35 independent samples. According to the results, EL can improve effectiveness outcomes at different levels of organizations, teams, and individuals. Enterprise type and EL measure have no discernible moderating impact on this relationship, but cultural context obviously does. This result still has some problems because the study is a systematic review rather than an empirical investigation. An empirical study of the effect of entrepreneurial leadership on employee productivity in microenterprises is required, nevertheless, because biases might occur.

An empirical investigation on the relationship between entrepreneurial leadership (EL) and entrepreneurial success (ES) was conducted by Hussain and Li (2022). Furthermore, knowledge entrepreneurship (KE) and knowledge management processes (KMPs) have been undervalued. Therefore, this study attempts to ascertain the link between EL and ES, mediated by KMPs, using a knowledge-based view theory. Additionally, the study included KE as a mediator to enhance comprehension. Data was gathered from 390 managers, co-founders, and owners of entrepreneurial ventures (EVs) in Pakistan that are focused on technology (software and IT) using a quantitative survey approach. The structural equation model and intelligent partial least squares (PLS) statistical software were used to investigate the process by which EL influences ES. The findings demonstrated that EL style had a good effect on ES. Additionally, KMPs completely mediate the connection between EL and ES. Furthermore, the moderating function of KE strengthens the links between EL and the knowledge management process. This study has theoretically improved and added to earlier research on the mechanism of interaction between ES and EL. The findings of this study have important applications for leaders, managers, and entrepreneurs who wish to support KMPs in order to achieve ES.

Tsetim (2020) asserts that entrepreneurial leadership is one of the ultimate answers to the issues brought about by the competitive and dynamic global corporate environment of today. The bulk of businesses in Benue State, Nigeria, including the state capital of Makurdi, are small and medium-sized businesses. Since small and medium-sized enterprises (SMEs) have long been seen as an important component of Nigeria's economy, it is crucial to investigate the extent to which entrepreneurial leadership might enhance SMEs' operations. Given this, the aim of this research is to examine the relationship between entrepreneurial leadership and the success of SMEs in the Benue state of Nigeria. The study employed a quantitative survey research design. The study's target population consisted of 708 owners and managers with executive positions in SMEs in Benue state. This statistic includes food processing, cattle breeding, trading, baking, table water, art and craft, fashion, hair styling, and ICT. Of this amount, 400 owners/managers were selected to serve as the sample using the purposive sampling technique. The results showed that the combined efforts of miners, explorers, accelerators, and integrators were responsible for the observed change in micro-enterprise performance. The study's conclusions indicate that the entrepreneurial leadership practices of SMEs' owners and managers have a significant influence on their performance. The findings and recommendations suggest, among other things, that managers and microbusiness owners themselves have access to training courses on the art of creating and communicating a vision, since this is a leadership behavior that has been demonstrated to have a positive relationship with microbusiness performance.

Some empirical data on entrepreneurial leadership and other favorable results have been reviewed by the study. According to the reviewed studies, entrepreneurial leadership has a positive impact on outcome variables like organizational performance, micro-enterprise performance, innovation work behaviour, micro-enterprise sustainability, and entrepreneurial success in various

industries and nations. The impact of entrepreneurial leadership on workforce efficiency among micro-enterprises in Southwest Nigeria was the subject of little to no research, despite the significance and applicability of these findings. The current study aims to close this gap in the literature.

METHODOLOGY

The research used a survey approach that advocated for a cross-sectional design. The process of gathering data from a population or sample at one particular moment is known as a cross-sectional design. According to SMEDAN and NBS (2021), there are 91,889 official micro-enterprises in Southwest Nigeria. The Taro Yamane method was used to calculate the sample size, which came out to be 438. Respondents were chosen for the study using convenient and purposeful sampling approaches. Since each state has a varied population, a total of 438 questionnaires were dispersed proportionately throughout the six states at various points in time. Twenty-six structured survey questionnaires were not returned, while 412 were. Subsequent examination of the collected surveys revealed that 14 copies contained numerous missing answers, necessitating their removal. A total of 398 questionnaires with a 91% response rate were determined to be useful for data analysis. The entire period of data collecting in the six states is May–August 2024. A purposive sample of 398 micro-business owner-managers in the manufacturing sector were chosen from six states in the southwest of Nigeria.

Data Analysis

Two types of data analysis were performed: descriptive and inferential. The socio-demographic features of the respondents were examined using descriptive statistics, and the primary analysis was conducted using structural equation modeling (PLS-SEM version 4.1) at 0.05 levels of significance.

RESULTS AND DISCUSSION

Descriptive analysis

Table 1

Descriptive Analyses of Participants Demographic Characteristics (N=398)

Variables	Level	Frequency	Percentage (%)
Gender	Female	191	48.0
	Male	207	52.0
Age Range	21-35 years	147	36.9
	36-45 years	128	32.1
	46 -60 years	123	31.0
Marital Status	Single	115	28.9
	Married	204	51.3
	Others	79	19.8
Educational Qualification	OND/NCE	154	38.7
	HND/B.Sc.	205	51.5
	Postgraduate	39	9.8
Number of Employees	1-5	207	52.0
	6-10	191	48.0
Years in Current Business	1-5 years	295	74.1
	6-10 years	68	17.1
	11 years and above	35	8.8

Subsequent investigation reveals that 52.0% were men and 48.0% were women. Age-wise, 36.9% of the population was between the ages of 21 and 35, 32.1% was between the ages of 36 and 45, and 31.0% was between the ages of 46 and 60. According to their marital status, 28.9% were single, 51.3% were married, and 19.8% had another marital status. 38.7% of them had OND/NCE, 51.5% had HND/B.Sc., and 9.8% had postgraduate degrees, according to their educational background. Regarding the number of employees, 48.0 percent had between 6 and 10 employees, while 52.0 percent had between 1 and 5. Seventy-one percent have been in business for one to five years, 17.1% have been in business for six to ten years, and 8.8% have been in business for eleven years or more. According to the study's demographics, men predominate in the micro-enterprise sector and many of them are youthful and responsible, suggesting that men have a greater propensity for entrepreneurship than women. While many have only recently begun to venture into micro-enterprises, it is clear that educated individuals are viable in this field.

Assessment of the Measurement Model

Using Smart PLS 4 software, the study used a causal-predictive structural equation modeling (SEM) technique. Because PLS-SEM is less strict about data normalcy, it is especially useful for tackling complex and difficult structural models, such as second-order models and small sample sizes (Hair et al., 2018). Table 2, which displays the convergent validity test, is shown below.

Table 2

Convergent validity test

Constructs	Items	Loadings	Cronbach's Alpha	Composite Reliability	AVE
Entrepreneurial Leadership	EL1	0.44	0.64	0.66	0.29
	EL2	0.54			
	EL3	0.68			
	EL4	0.48			
	EL5	0.51			
Workforce Efficiency	WE1	0.55	0.68	0.78	0.42
	WE2	0.66			
	WE3	0.63			
	WE4	0.67			
	WE5	0.70			

The loadings, Average Variance Extracted (AVE), and composite reliability (CR) are typically examined to determine the measurement's convergent validity (Gholami et al., 2013; Rahman et al., 2015). Half of the outside loading values for the items on the two structures are above 0.60, as Table 2 demonstrates. However, if the indication deletion on internal consistency reliability does not rise, it can still be approved if the outer loading is between 0.4 to 0.7, according to Hair et al. (2019) and Al-Ziko and Asfour (2023). Since it cannot rise in this instance, we decided to retain it. The two constructs' Cronbach's Alpha values are likewise near 0.70, indicating that the data are internally consistent and suitable for testing. All of the constructs' AVE values fall below 0.5. However, if composite reliability values are higher than 0.6, AVE values below 0.5 are likewise acceptable (Fornell & Larcker, 1981).

Discriminant Validity Test

Discriminant validity evaluates how different the notions are from one another. It guarantees that every construct assesses a distinct and independent underlying idea. The Fornell-Larcker criterion was used to assess discriminant validity in this case, and the results showed that the square roots of AVE for the components are greater than their correlations for the other constructs. As indicated in Table 3, every square root value of the construct's AVE was greater than any of the construct's correlations with other constructs.

Table 3

Divergent validity based on the Fornell–Larcker approach

Measures	Entrepreneurial Leadership	Workforce efficiency
Entrepreneurial Leadership	0.54	-
Workforce efficiency	0.38	0.65

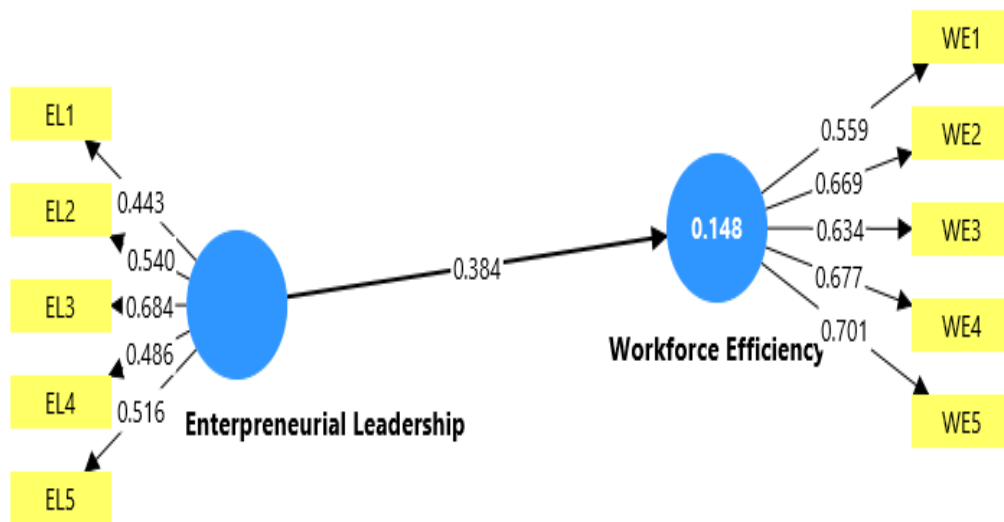


Figure 1. Measurement model (factor loadings)

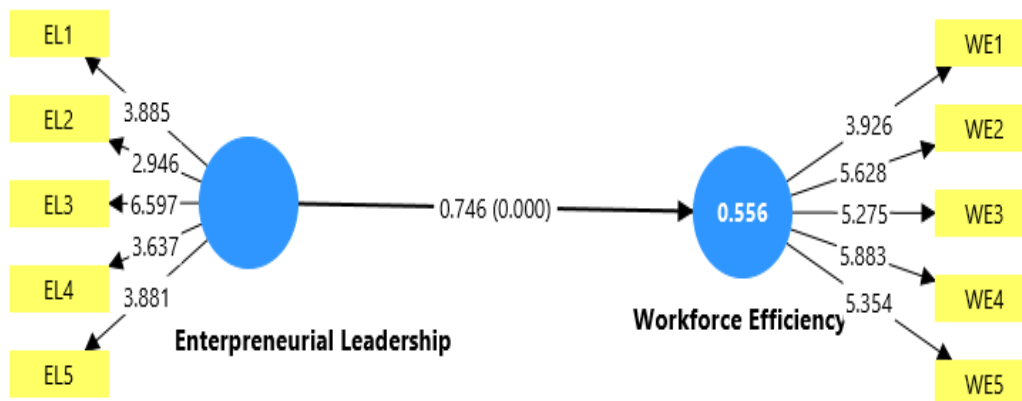


Figure 2. Structural model

Hypothesis Testing

H₀₁: Entrepreneurial leadership does not significantly impact the workforce efficiency of micro-enterprises. The result was presented in Table 4

Table 4

Entrepreneurial Leadership and Workforce Efficiency

Hypothesized Path	β	t-value	95% CI for B		
			p -val	LL	UL
Entrepreneurial leadership \rightarrow workforce efficiency	0.74	7.40	0.000	0.55	0.91

*** $P < 0.000$; LL= Lower Limit; UL= Upper Limit; CI= Confidence Interval; B = Bias

Table 5

R Square and Associated R Square Adjusted

Construct	R Square	R Square Adjusted
Workforce efficiency	0.15	0.14

There is a substantial correlation between the labor efficiency of microbusinesses and the theory about the impact of entrepreneurial leadership. There is a significant positive correlation between labor efficiency and entrepreneurial leadership, as indicated by the path coefficient of 0.74. The impact is consistent, as seen by the sample mean of 0.630 and standard deviation of 0.032. The statistical significance of this association is confirmed by the p-value of 0.000 and the high T-statistic of 7.40, which indicates a considerable level of significance. Additionally, Table 5's R Square values, which show a value of 0.15, indicate that variations in entrepreneurial leadership account for roughly 15% of workforce efficiency variations. The null hypothesis, according to which the workforce efficiency of micro-businesses is not significantly impacted by entrepreneurial leadership, is disproved in light of these findings. This research suggests that leadership traits are essential for increasing employee productivity, underscoring the significance of entrepreneurial leadership in boosting labor efficiency within micro-businesses.

The study looked at microbusinesses' workforce productivity and entrepreneurial leadership. According to the hypothesis, the study's findings demonstrated a strong correlation between microbusiness labor efficiency and entrepreneurial leadership, suggesting a significant and beneficial influence. Nguyen (2021) and Mohammed et al. (2023) showed that the performance of micro-enterprises was positively correlated with entrepreneurial leadership, competitive advantage, entrepreneurial orientation, and technological innovation potential. The findings of Lin and Yi (2020) demonstrated that the efficacy of entrepreneurial leadership (EL) at various levels has been generally acknowledged as a means of enhancing effectiveness outcomes and has useful ramifications for founders, managers, and leaders looking to increase workforce efficiency. According to Tsetim (2020), one of the millennium solutions to the problems posed by the competitive and dynamic global corporate environment of today is entrepreneurial leadership.

CONCLUSION

The study's findings led to the conclusion that, in a manufacturing micro-business in southwest Nigeria, entrepreneurial leadership favorably influences workers' creative and effective behaviour, which in turn increases and sustains workforce efficiency.

The study suggests that in order to meet the ever-changing global business issues and maintain market competitiveness, companies should support entrepreneurial leadership as a contemporary and millennium idea that enhances employees' effective and efficient performance.

REFERENCES

- Abdullah, H., Hassan, M., Amanah, A., & Naji, M. (2023). Entrepreneurial leadership and work life quality: The mediating role of adopting entrepreneurial behavior among employees. *International Journal of Business and Management Invention (IJBMI)*, 12(11), 08-18. DOI: [10.35629/8028-12110818](https://doi.org/10.35629/8028-12110818)
- Ahmed, F., & Harrison, C. (2022). Entrepreneurial leadership development in teams: A conceptual model. *The International Journal of Entrepreneurship and Innovation*, DOI:10.1177/14657503221143977
- Ajen-Alamonia, I., Edwinah, A., & Otuonye O. (2022). Training and employee efficiency of universities in Rivers State. *International Journal of Management and Marketing Systems*, 14(1), 53 – 61. DOI: [27261456671415](https://doi.org/10.27261456671415)
- Al Mamun, A.I, Ibrahim, M.D., Mohd -Nor, Y & Ali -Fazal, S. (2018). Entrepreneurial leadership, performance, and sustainability Hakimin Bin of Micro-Enterprises in Malaysia. *Sustainability*, 10, 1591; doi:10.3390/su10051591
- Ali, A., K. A. M., & Alenezi, A. A. (2021). Entrepreneurial leadership and organisational performance of SMEs in Kuwait: The intermediate mechanisms of innovation management and learning orientation. *Interdisciplinary Journal of Information, Knowledge, and Management*, 16, 459-489. <https://doi.org/10.28945/4887>
- Alshawabkeh, R. O. K., Al-Abbadi, L. H., Eldahamsheh, M. M., Al-Quran, A. Z., Almomani, H. M., Bani-Khaled, A. K., & Al-Hawary, S. I. S. (2024). The impact of entrepreneurial leadership on organisational performance: does innovation management matter? *International Journal of Services and Operations Management*, 47(2), 236-255. DOI:10.1504/IJSOM.2021.10043997
- Aly Ziko, A., & Asfour, A. (2023). Effect of digital marketing on consumer buying behaviour in the modern trade sector in Egypt. *Journal of Business and Management Sciences*, 11(1), 46-62. doi: [10.12691/jbms-11-1-4](https://doi.org/10.12691/jbms-11-1-4).
- Anning-Dorson, T. (2021). Organizational culture and leadership as antecedents to organizational flexibility: implications for SME competitiveness. *Journal of Entrepreneurship in Emerging Economies*, 13(5), 1309-1325. DOI:10.1108/JEEE-08-2020-0288
- Anwar, M., Khan, S. Z., & Shah, S. Z. A. (2022). Entrepreneurial leadership and micro-enterprise performance: Examining the roles of innovation, risk-taking, and proactiveness. *Journal of Small Business and Enterprise Development*, 29(3), 389-406. <https://doi.org/10.1108/JSBED-12-2021-0491>
- Barlette, Y., & Baillette, P. (2022). Big data analytics in turbulent contexts: towards organizational change for enhanced agility. *Production Planning & Control*, 33(2-3), 105-122. DOI:10.1080/09537287.2020.1810755
- Bilal M., Chaudhry SA., Sharif I., Shafique O., & Shahzad, K. (2022). Entrepreneurial leadership and employee well-being during COVID-19 crisis: A Dual Mechanism Perspective. *Frontier Psychology*, 13:800584. doi: [10.3389/fpsyg.2022.800584](https://doi.org/10.3389/fpsyg.2022.800584)
- Boukamcha, F. (2019). The effect of transformational leadership on corporate entrepreneurship in Tunisian SMEs. *Leadership and Organization Development Journal*, 40(3), 286-304. DOI:10.1108/LODJ-07-2018-0262
- Campos, J. (2021). Analysis of entrepreneurial leadership skills and sustainable employee productivity of MSMEs. *Journal of Social Entrepreneurship Theory and Practice (JSETP)*, 1(1), 12-27. DOI: <https://doi.org/10.31098/jsetp.v1i1.645>
- Choi, N., & Jung, K. (2017). Measuring efficiency and effectiveness of highway management in sustainability. *Sustainability*, 9(8), 13-47. <https://doi.org/10.3390/su9081347>

- Claudio, T.B., Santos, M. D., Cabral, C.A. & Pessoa, N. M. (2017). Fostering and limiting factors of innovation in micro and small enterprises. *Innovative and Management Review*, 14(2), 130-139. DOI:10.1016/j.rai.2017.03.007
- Coccia, M., & Watts, J. (2020). A theory of the evolution of technology: Technological parasitism and the implications for innovation management. *Journal of Engineering and Technology Management*, 55 (1), 1-18. DOI:10.1016/j.jengtecman.2019.11.003
- Cool, K., & Schendel, D. (1988). Strategic group formation and performance: The case of the US pharmaceutical industry. *Management Science*, 1(1), 1102-1124. DOI: 10.1287/mnsc.33.9.1102
- Danladi, A., & Abdul Sabur, H. (2024). Effect of entrepreneurial leadership on MSME's growth in Zamfara state. *International Journal of Advances in Engineering and Management (IJAEM)*, 6(07), 839-853. DOI: 10.35629/5252-0607839853
- De Winnaar, K. & Scholtz, F. (2019). Entrepreneurial decision-making: New conceptual perspectives. *Management Decision*, 58 (7), 1283-1300. DOI:10.1108/MD-11-2017-1152
- Delgado-García, J. B., De Saa-Pérez, P., & Escobar-Pérez, B. (2021). Leadership practices and workforce efficiency in micro-enterprises: The role of strategic vision and adaptability. *Journal of Business Research*, 134, 120-134. <https://doi.org/10.1016/j.jbusres.2021.01.058>
- El Namar, S., El-Chaarani, H., Dandachi, I., & Castellano, S. (2022). Resource-based view and sustainable advantage: a framework for SMEs. *Journal of Strategic Marketing*, 1-24. DOI:10.1080/0965254X.2022.2160486
- Felix, C., Aparicio, S. & Urbano, D. (2019). Leadership as a driver of entrepreneurship: an international exploratory study. *Journal of Small Business and Enterprise Development*, 26 (3), 397-420. <https://doi.org/10.1108/JSBED-03-2018-0106>
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39–50. <https://doi.org/10.2307/3151312>
- Gholami, R., Sulaiman-Ramayah, T., & Molla, A. (2013). Senior managers' perception on green information systems (IS) adoption and environmental performance: Results from a field survey. *Information & Management*, 50(7): 431- 438. Available at: <https://doi.org/10.1016/j.im.2013.01.004>.
- Grant, R. M. (1991). The resource-based theory of competitive advantage: Implications for strategy formulation. *California Management Review*, Spring, 114-135. DOI:10.1016/B978-0-7506-7088-3.50004-8
- Gupta, D. (2023). Employees' efficiency and performance in organization. *IJCRT*, 11(8) 585-590. DOI:10.55573/IJAFB.085006
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). *Multivariate Data Analysis* (8th ed.). Cengage Learning. ISBN-10: 9353501350.
- Hair, J. F., Sarstedt, M., Ringle, C. M., Gudergan, S. P. (2018). *Advanced Issues in Partial Least Squares Structural Equation Modeling*. Thousand Oaks, CA: Sage. ISBN: 9781483377391
- Hansen, G. S. & Wernerfelt, B. (1989). Determinants of firm performance: The relative importance of economic and organizational factors. *Strategic Management Journal*, 10, 399-411. <https://doi.org/10.1002/smj.4250100502>
- Harrison, C., Burnard, K., & Paul, S. (2018). Entrepreneurial leadership in a developing economy: a skill-based analysis. *Journal of Small Business and Enterprise Development*, 25 (3), 521-548. DOI:10.1108/JSBED-05-2017-0160
- Hogan, C., Kinsella, J., O'Brien, B., Markey, A., & Beecher, M. (2022). Estimating the effect of different work practices and technologies on labor efficiency within pasture-based dairy systems. *Journal of Dairy Science*, 105(6), 5109-5123. DOI: 10.3168/jds.2021-21216

- Ismaila, Y., Rahman, M. & Muritala, O. A. (2025). Entrepreneurial leadership and workforce efficiency among micro-enterprises (MES) in Southwest, Nigeria. *Management and Entrepreneurship: Trends of Development*, 3(33), 178-193. <https://doi.org/10.26661/2522-1566/2025-3/33-14>
- Hussain, N., & Li, B. (2022) Entrepreneurial leadership and entrepreneurial success: The role of knowledge management processes and knowledge entrepreneurship. *Front. Psychol.* 13:829959. doi: 10.3389/fpsyg.2022.829959
- Ishak, S., Omar, A. R. C., & Manaf, A. A. (2021). Entrepreneurial leadership in the micro and small enterprises (MSEs) research context: A Literature Review. *International Journal of Academic Research in Business and Social Sciences*, 11(5), 397–403. DOI:10.6007/IJARBS/v11-i5/9815
- Jibir, A., Abdu, M., & Buba, A. (2023). Does human capital influence labor productivity? Evidence from Nigerian manufacturing and service firms. *Journal of the Knowledge Economy*, 14(2), 805-830. DOI: 10.1007/s13132-021-00878-8
- Karnsomdee, P., & Piyamas, P. (2023). the influence of entrepreneurial leadership and public entrepreneurship on organizational performance of local administrative organizations in the northeastern region of thailand. *Russian Law Journal*. XI(6s). DOI:10.52783/rlj.v11i6s.925
- Kianto, A., Sáenz, J., Aramburu, N., & Inkien, H. (2023). The challenge of developing high-performing teams in micro-enterprises: The need for comprehensive leadership frameworks. *Journal of Knowledge Management*, 27(2), 345-361. <https://doi.org/10.1108/JKM-04-2022-0245>
- Kumar, S., & Gulati, R. (2010). Measuring efficiency, effectiveness and performance of Indian public sector banks. *International Journal of Productivity and Performance Management*, 59(1), 51 – 74. <http://dx.doi.org/10.1108/17410401011006112>
- Kuratko, D. F., 2017 & Audretsch, D. B. (2009). Strategic entrepreneurship: exploring different perspectives of an emerging concept. *Entrepreneurship theory and practice*, 33(1), 1-17. DOI:10.1111/j.1540-6520.2008.00278.x
- Lin, Q., & Yi, L. (2021). The multilevel effectiveness of entrepreneurial leadership: A meta-analysis. *Journal of Management & Organization*. 1(19). doi:10.1017/jmo.2020.45
- Muhammed, U. B., Baba, I. M., Mika'el, A. D., & Muhammad, L. L. (2024). Financing constraints of micro-enterprises (MES) in North-Eastern Nigeria: The prospect of Islamic micro-finance. *Management Journal for Advanced Research*, 4(2), 106-115. <https://doi.org/10.5281/zenodo.10986400>
- Naushad, M. (2021). Investigating determinants of entrepreneurial leadership among SMEs and their role in sustainable economic development of Saudi Arabia. *The Journal of Asian Finance, Economics and Business*, 8(4), 225-237. DOI:10.13106/jafeb.2021.vol8.no4.0225
- Nguyen, P. V., Huynh, H. T. N., Lam, L. N. H., Le, T. B., & Nguyen, N. H. X. (2021). The impact of entrepreneurial leadership on SMEs' performance: The mediating effects of organizational factors. *Heliyon* 7: e07326. doi: 10.1016/j. heliyon.2021.e07326
- Ohimor, J. (2022). Owner-Manager's Competences as Determinants of Innovativeness of SMEs in Podkarpacie Province. *Uniwersytet Rzeszowski*. <https://doi.org/10.15584/PIR.2017.9.16>
- Okoronkwo, I. (2021). Entrepreneurial leadership and employee innovative behaviour in selected manufacturing SMEs in Lagos State, Nigeria. *The Strategic Journal of Business & Change Management*, 8 (4), 1003 – 1014. DOI:10.61426/sjbcm.v8i4.2156
- Paucanu, A. M., Rabie, N., Moustafa, A., & Jiroveanu, D. C. (2021). Entrepreneurial leadership and sustainable development—a systematic literature review. *Sustainability*, 13(21), 11695. <https://doi.org/10.3390/su132111695>
- Paudel, S. (2019). Entrepreneurial leadership and business performance. *South Asian Journal of Business Studies*, 8(3), 348-369. <https://doi.org/10.1108/SAJBS-11-2018-0136>
- Penrose, E. T. (1959). *The theory of the growth of the firm*. Oxford: Basil blackell Ltd. [https://doi.org/10.1016/S0024-6301\(98\)00009-0](https://doi.org/10.1016/S0024-6301(98)00009-0)
- Rahman, S., & Rivai, H. A. (2015) The Effect of Training Satisfaction, Pay Satisfaction on Turnover Intention through Organizational Commitment as a Mediator Variable Study of The Three-Stars Hotels Employees in Padang City. DOI:10.18374/JIMS-15-2.7

- Ravet-Brown, T. É., Furtner, M., & Kallmuenzer, A. (2024). Transformational and entrepreneurial leadership: A review of distinction and overlap. *Review of Managerial Science*, 18(2), 493-538. DOI:10.1007/s11846-023-00649-6
- Salami, C. G. E., Ekakitie, S. E., & Ebinim, L. O. (2023). Impact of government policy on entrepreneurship growth and development of small-scale business. *Journal of Global Social Sciences*, 4(14), 73-102. DOI: <https://doi.org/10.58934/jgss.v4i14.154>
- Sandybayez, A. (2019). Impact of effective entrepreneurial leadership style on organizational performance: critical review. *International Journal of Economics and Management*, 1(1), 47-55. DOI:10.55047/marginal.v1i1.9
- Sousa, P. H. R., Reyes Junior, E., Costa, C. C. B., & Reis, A. L. N. (2021). A model of innovation process in light of the theory of the growth of the firm, by Edith Penrose, and of resource-based view. *Iberoamerican Journal of Strategic Management (IJSM)*, 20, 1-35. DOI:10.1111/poms.12572
- Tersoo, T., Lubem, A., & Adudu, C. (2020). Entrepreneurial leadership and performance of small and medium scale enterprises in Benue State, Nigeria. *Scholars Journal of Economics, Business and Management*, 23, 56-67. DOI: [10.36347/sjebm.2020.v07i04.002](https://doi.org/10.36347/sjebm.2020.v07i04.002)
- Udofia, U., Brownson, C., & Okurebia, S. (2022). Entrepreneurial leadership and managerial sustainability. *International Journal of Business and Management Review*, 10(6), 42-76. DOI:10.37745/ijbmr.2013vo10n6pp4276
- West, K. R. (2024). Prudent entrepreneurship in theory of moral sentiments. *Business Ethics Quarterly*, 34(1), 139-162. DOI:10.1017/beq.2022.19
- Zhang, H., & Darrat, M. (2020). Leadership behaviors and workforce productivity in micro-enterprises: A closer look at effective strategies. *Journal of Small Business Management*, 58(4), 742-758. <https://doi.org/10.1080/00472778.2020.1748813>
- Zhenjing, G., Chupradit, S., Ku, K. Y., Nassani, A. A., & Haffar, M. (2022). Impact of employees' workplace environment on employees' performance: A multi-mediation model. *Frontiers in public health*, 10, 890400. doi: 10.3389/fpubh.2022.890400

ПІДПРИЄМНИЦЬКЕ ЛІДЕРСТВО ТА ЕФЕКТИВНІСТЬ ПРАЦІВНИКІВ МІКРОПІДПРИЄМСТВ (MES) У ПІВДЕННО-ЗАХІДНІЙ ЧАСТИНІ НІГЕРІЇ

Yusuf Ismaila

*Kwara State University
Malete, Nigeria*

Mustapha Rahman

*Kwara State University
Malete, Nigeria*

Opatola Abolade Muritala*

*Kwara State University
Malete, Nigeria*

У виробничому секторі вважається, що підприємницьке лідерство, особливо в мікропідприємствах, має значний вплив на ефективність працівників, підвищуючи продуктивність та результати діяльності. Однак більшість нігерійських мікропідприємств мають неефективних працівників, що впливає на загальний успіх бізнесу. Мікропідприємства на південному заході Нігерії потребують способу підвищення продуктивності працівників та загальної ефективності, і цього можна досягти за допомогою підприємницького лідерства. Основною метою цього дослідження є вивчення впливу підприємницького лідерства на ефективність робочої сили в мікропідприємствах на південному заході Нігерії. У дослідженні було використано підхід перехресного опитування. Для дослідження було обрано 398 респондентів за допомогою зручних та цілеспрямованих методів вибірки. Для збору даних використовувався закритий опитувальник, а для аналізу –

PLS-SEM. Значення $t = 7,40$ і $p = 0,000$ вказують на те, що результати продемонстрували, що підприємницьке лідерство значно впливає на ефективність робочої сили серед власників-керівників мікропідприємств у виробничому секторі південно-західної Нігерії. Згідно з результатами дослідження, власники та менеджери мікробізнесу, які цінують і підтримують підприємницьке лідерство, зможуть випереджати споживчі тенденції та зміни, завойовувати особливі ніші на переповнених ринках і підтримувати ефективність робочої сили, що є критично важливими компонентами конкурентоспроможності компанії. Дослідження показує, що для того, щоб вирішувати динамічні глобальні бізнес-проблеми та підтримувати конкурентоспроможність на ринку, компанії повинні підтримувати підприємницьке лідерство як сучасну ідею тисячоліття, яка ефективно та результативно підвищує продуктивність працівників.

Ключові слова: підприємницьке лідерство, ефективність робочої сили, мікропідприємства (МП).