



EFFECT OF STRUCTURAL RESOURCES MANAGEMENT ON PERFORMANCE OF SMALL AND MEDIUM-SCALE ENTERPRISES (SMEs) IN BENUE STATE, NIGERIA

John Emakwu (PhD)
(emakwu1@yahoo.com)
+2348065967031

Department of Business Management, Benue State University, Makurdi, Nigeria
&

Michael Iorlaha
(iorlahamicnael5823@gmail.com)
+2349021366661

Department of Accounting, Benue State University, Makurdi, Nigeria
&

Bukola Rebecca Oyeleye
(bukkyoyeleye54@yahoo.com)
+2348039710425

Department of Business Management, Benue State University, Makurdi, Nigeria

Abstract

Absence of organisational structure and poor management philosophy of firms have resulted to poor small businesses performance. The main objective of this study is to examine the effect of structural resource management on the performance of Small and Medium-scale Enterprises (SMEs) in Benue State-Nigeria. Survey design was employed as data were collected via administered questionnaire to 320 respondents who were sample size for the study. The data collected were processed and subjected to validity and reliability tests. These include; descriptive statistics and correlational analysis tests. Regression was finally conducted to test the formulated hypotheses. The study found that intellectual property; organisational structure and management philosophy has positive and significant effect on performance of SMEs in Benue state. The study therefore recommends amongst others that relevant stakeholders should give maximum attention to organisational structures and management philosophy and make them priority. Also, attention be given to intellectual resources as well as ignoring it could lead to significant reduction in general performance of the SMEs.

Keywords: *Intellectual Property, Management Philosophy, Organisational Structure and Structural Resources, SMEs*

1. INTRODUCTION

Small and Medium-sized Enterprises (SMEs) play a pivotal role in the socio-economic fabric of Nigeria, contributing significantly to employment generation, income generation, and overall economic development (Adeoye, 2018; Fatoki & Smit, 2011). As the backbone of the Nigerian economy, SMEs account for a substantial share of the nation's Gross Domestic Product (GDP) and serve as critical catalysts for innovation, poverty alleviation, and wealth creation. Their agility, adaptability, and capacity for local market penetration position them as essential drivers of economic diversification and resilience in the face of global uncertainties (Adegbuyi & Fowowe,



2020). Recognizing the importance of SMEs, Nigeria has implemented various policies and initiatives to support their growth and sustainability, acknowledging their potential to foster inclusive economic development and alleviate unemployment challenges. As we delve into the complexities and dynamics of SMEs in Nigeria, understanding their significance becomes paramount for policymakers, researchers, and stakeholders seeking to enhance the vibrancy and impact of these enterprises in the nation's economic landscape.

The performance of SMEs could be described as the ability of the SMEs achieve or attain its desired goal and objectives using the available resources at their disposal in an efficient and effective manner (Igbaekemen, 2019). Alternatively, SMEs performance could be described as the actual output or result obtained from the business, compared with intended output or expected output. This therefore implies that the extent of an SME's performance is directly proportional to its efficient deployment and utilisation of its resources, in which structural resources is one of them.

Structural resources are non-financial or invisible assets a business owns such as intellectual property, organisational structure and management philosophy which gives supportive information to human resources in pursuing the business goals and objectives. Accurate implementation of the structural resources plays a significant role towards the overall performance of the SME. It is a sadden to note that several SMEs in the developing countries and Nigeria in particular are faced with a myriad of challenges which affect their performance, in which adequate implementation of these structural resources is deemed one of the appropriate options to remain competitive. In order to enhance SME's financial performance, the owners are to strive in ensuring that the intellectual property, organisational structure and management philosophy are maximally taken into consideration (Ukaidi, 2016).

Currently, SMEs are faced with difficulties ranging from survival, continuity and expansion. Most of these challenges are ascribed to non-recognition of intellectual property of the business by its owners, absence of organisational structure and poor management philosophy, which have further resulted to poor business performance. Empirically, many empirical studies reviewed such as Eze, Oladimeji and Fayose, (2019); Enrico, Michele, Valentina and Niccolo (2020) and Aurangzeb, Asif and Amin (2021) have identified factors that influenced small businesses performance which produced mixed findings. Eze *et al.* (2019) indicated that there is a positive relation of structural resource management and business performance. Though, the research sampled 137 SMEs in Osun state, Nigeria. Enrico *et al.* (2020) found a negative and insignificant relationship between structural resource management and performance among the sampled SMEs in Indonesia using the pharmaceutical sector. However, the study sampled 171 pharmaceutical shops in Indonesia. Aurangzeb *et al.* (2021) showed that human capital management and customer capital management positively and significantly have influence on the business performance of SMEs while no influence on capital management. Technology capital management fully mediates the association between human capital management and customer capital management. But the research sampled 300 entrepreneurs and executives representing businesses in Pakistan's production and service sectors. Thus, this research wants to improve on the above weaknesses identified in order to contribute to knowledge. The main objective of the study is to examine the effect of structural resources management on performance of Small and Medium-scale Enterprises (SMEs) in Benue State-Nigeria.



2. LITERATURE REVIEW AND THEORY

This part review and clarify some key concepts amongst them are; structural resources management, attributes of structural resources, organisational performance and the relationship between structural resource management and organisational performance.

2.2. Small and Medium Scale Enterprises

Small and Medium-scale Enterprises (SMEs) play a pivotal role in driving economic development globally, contributing significantly to poverty alleviation, reduced unemployment, improved living standards, income distribution, innovation, value addition, and local capital formation. The impact of SMEs is particularly pronounced in Nigeria, where their definition is based on staff strength and total assets, excluding land and buildings. SMEs are characterized by a total capital (excluding land and building) ranging from over 1.5 million Naira to not more than 500 million Naira, inclusive of working capital, and a labour force between 11 to 100 staff (Igbaekemen, 2019). This specific definition reflects the diverse nature of SMEs across nations and underscores their importance as engines of economic growth and community development.

2.3. Small and Medium-Scale Enterprises Performance

Small and Medium-Scale Enterprises (SMEs) performance is a multifaceted concept encompassing both financial and non-financial dimensions. Financial indicators such as profitability, financial strength, operating efficiency, capital-raising ability, and indebtedness provide a quantitative assessment of SMEs success (Kaplan & Norton, 2000). Non-financial indicators, including public image, employees' morale, adaptability, innovativeness, customers' patronage, and employee growth rate, contribute to a qualitative evaluation of SMEs performance. Organizational performance, a subject of ongoing debate, is often measured by the 3Es: economy, efficiency, and effectiveness, reflecting an organization's ability to achieve goals through resource utilization (Daft, 2000). It encompasses financial outcomes, product market performance, and shareholder return. Different from productivity, which focuses on efficient resource use, performance is a broader indicator, encompassing quality, consistency, effectiveness, and efficiency. Productivity, defined as the ratio of output to input, is crucial for economic growth, competitiveness, and international comparisons (Baqerkord, 2012). It represents the effective utilization of resources and is integral to forecasting economic growth and assessing demand and inflationary pressures (Ngige, 2015).

2.4. Structural Resources

Structural resources are those supportive infrastructures that enable the human resources to function effectively and efficiently in an organisation. These resources are owned by the organisation they remain with it even when the employee leaves the organisation (Eze, Adenike & Adekola, 2017). It is comprised of trademarks, patents, formulas, management style, company reputation, image, corporate culture, networking, mission and vision. It is the difference between non-thinking resources that vary different management methods such as culture, organisational processes, technology, absorptive capacity and information systems to achieve corporate goals (Namvar, Fathian, Gholamin, & Akhavan, 2011).

This form of resource is of strategic importance in the corporate planning and growth of any organisation. Structural resources refer to all structures deployed by the workers to drive the business processes (Chen, Chang & Hwang, 2005). This form of resources can be evaluated on the



basis of how employees, organisational units and different hierarchy levels of workers exchange information on values and norms, knowledge transfer and the working manner which is peculiar to every business organisation. It also includes compliance to rules and the ability of the workers to handle failures corporately when they eventually occur.

Structural resource can be further broken down into technological resource and organisational resources. Technological resources represent industrial and technical knowledge, such as results from research and development and process engineering. Organisational resource includes all aspects that are related to the organisation of the company and its decision-making capabilities, processes, patents, licenses, and trademarks amongst others (Rafinda, Pramuka & Kusuma, 2012). Structural resource belongs to the organisation as a whole and can be reported and shared.

2.4.1. Attributes of Structural Resources

The structural resource is comprised of intellectual property, organisational structure and management philosophy (Bøllingtoft, 2019).

i. Intellectual Property: Intellectual property (IP), encompassing innovations like literacy, artistic works, business names, and reputations, serves as a crucial asset providing a competitive advantage to businesses, according to the World Intellectual Property Organisation. The management of intellectual property involves establishing methods and processes to regulate and control these assets, aligning with the predefined goals of the organization. Techniques such as innovation support, portfolio management, and intellectual property exploration facilitate effective IP management. This approach enables the evaluation of the worth of intellectual properties within a business, contributing to strategic policy formulation and implementation, ultimately enhancing overall business efficiency (Bøllingtoft, 2019). Particularly for Small and Medium Enterprises (SMEs), the value of intellectual properties cannot be overstated, as they enhance the SME's worth to stakeholders and play a significant role in events like mergers or acquisitions, strategically positioning the SME for a competitive advantage. Despite their potential benefits, many SME operators, especially in Nigeria and Benue State, operate with limited awareness of the advantages of intellectual properties due to associated registration costs. Addressing this knowledge gap and incorporating IP costs into budgets is imperative for SMEs to fully capitalize on these assets for sustainable growth and expansion. The study therefore hypothesised that;

H₀₁: *Intellectual property has no significant effect on SMEs performance in Benue state Nigeria.*

ii. Organisational Structure: Organizational structure encompasses the holistic arrangement and integration of business operations, strategy alignment, group and management structures, resource investment, ownership, subsidiaries, and information technology. Whether applied to a newly established or existing business, a well-designed organizational structure that considers all elements within an enterprise and its operational context provides a competitive advantage, minimizes risks, and enhances overall business performance. As highlighted by various authors such as Hernaus (2019), a robust organizational structure facilitates effective management of unforeseen circumstances, promotes diversity management, and continuously improves organizational effectiveness. The appropriate implementation of organizational structure equips organizational members to adeptly handle contingencies arising from technological changes, market dynamics, and competition strategies. Moreover, an effective organizational structure contributes to a business gaining a competitive edge by developing core competencies, fostering strategic adaptability, and ensuring operational efficiency, as



emphasized by Rafinda, Pramuka and Kusuma, (2012). Ultimately, the aim of organizational structure is to enhance a business's adaptive capacity, ensuring a dynamic fit between environmental changes and organizational characteristics. The study therefore hypothesised that;

H₀₂: *Organisational structure has no significant effect on SMEs performance in Benue state Nigeria.*

iii. Management Philosophy: Management philosophy refers to the organizational perspective that considers employees as crucial strategic resources. It encompasses managerial values, leadership styles, and corporate culture, playing a pivotal role in developing sustainable competitive advantage strategies such as vision, ethics, quality, and shareholder value (Rafinda, Pramuka & Kusuma, 2012). This philosophy involves formulating and implementing major management goals based on resource considerations and an assessment of the internal and external business environment (Nag, Hambrick & Chen, 2017). By providing overall direction to business operations, management philosophy specifies objectives, develops long-term plans, and allocates resources effectively to implement these plans (Ghemawat, 2012). It aids in making informed decisions by staying vigilant to threats and opportunities in the dynamic business environment. Furthermore, the formulation of management philosophy involves environmental scanning and analysis to avoid policies conflicting with business operations, ensuring alignment with strategic goals (Chittithaworn, Islam & Keawchana, 2017). On this note, the study hypothesis that;

H₀₃: *Management philosophy has no significant effect on SMEs performance in Benue state Nigeria.*

2.5. Empirical Review of Literature

This study reviews prior empirical works concerning the effect of structural resources management on performance of Small and Medium-Scale Enterprises (SMEs). Eniola and Entebang (2014) empirically examined effect of organisational structural management on brand value evaluation and SMEs performance. Data were collected for the study through administered questionnaires to 127 SMEs. The collected data were subjected to validity and reliability tests with Chronbach's Alpha and a regression analysis was conducted and the result found a positive and significant association between organisational structural management and financial performance of the sampled SMEs

Ukaidi (2016) empirically examined effect of intellectual property management on organisational performance; a study of Indian companies. The study employed cost of financing as dependent variable, while human capital management, trade mark and strategic partnerships were independent variables for the study. Data for the study were gathered from 130 SMEs through administration of structured questionnaires. Regression analysis was conducted and the results revealed that intellectual property management has a significant effect on organisational performance of the sampled SMEs. Silvio *et al.* (2016) examined management philosophy and performance of organisation. Survey research design was employed and data for the study was gathered from a sampled of 122 SMEs. Regression analysis was conducted. The result reveals a positive significant nexus between management philosophy and organisational performance. Consequently, there is need for replication of similar study using the Benue State SMEs experience. Makanga, and Paul (2017) examined the effect of business structural management on performance of SMEs in Nigeria. Survey design was adopted as data were collected through



administered questionnaire to 144 SMEs in Nigerian. Business growth, employee Salary (SAL), Welfare (WEL) and Number of employees (EMP) were variables used for the study. Chi square test was conducted to test the study hypotheses and the result reveals a positive and significant relationship between human capital predictors and performance.

Corvino, Caputo, Pironti, Doni and Martini (2019) examined monetary value of structural resources for predicting future business earnings. Return on Assets (ROA) was used as performance indicators (dependent variables), while intellectual property, organisational structures and management philosophy were used as independent variables. Data were gathered from 368 SMEs. The authors made use of the OLS in conducting the analysis for their study. The study found a positive and significant association between structural resources and future business earnings. Adelekan, Eze and Majekodunmi (2019) carried out an empirical study to examine the nexus between business philosophy and SMEs growth in Chinese. Survey of 1314 SMEs was conducted. The collected data were processed and regressions analysis was conducted. The study found a positive and significant relationship between business philosophy and SMEs growth. The study made use of good sample size of 1314, however the study was based in China, therefore, there is need to replicate the study using the Nigeria business environment. Eze, Oladimeji and Fayose, (2019) examined impact of organisational structural resources management on business performance, a survey of 137 SMEs in Osun state, Nigeria. Data was collected via the administration of questionnaire and a regression analysis was conducted and the study found positive relation of structural resource management and business performance. It will be highly appreciative if study of this kind is conducted using the Benue business environment as well in order to add to literature.

Enrico *et al.* (2020) examined structural resource management on organisational performance in Indonesia using pharmaceutical sector. The study made use of survey design via administered questionnaire as source of data collection. Intellectual property, human resource and organisational structure management were examined. Regression analysis was conducted using a sample of 171 pharmaceutical shops in Indonesia were surveyed. The study found a negative and insignificant relationship between SRM and performance among the sampled SMEs. Aurangzeb *et al.* (2021). Resources Management and SME's Performance. The study sampled 300 entrepreneurs and executives representing businesses in Pakistan's production and service sectors. The result shows that human capital management and customer capital management positive and significant influence on the business performance of SMEs while no influence on capital management. Technology capital management fully mediates the association between human capital management and customer capital management. Thus, the gap identified in the reviewed empirical study is place, period and proxy of study. This research intends to fill the identified gaps by studying the effect of structural resources management on performance of Small and Medium-scale Enterprises (SMEs) in Benue State-Nigeria.

2.6. Theoretical Review

The resource based view theory was used as the baseline theory for this study. The success of the current business is becoming more complex and uncertain. This is due to high level of the present competitive business environment. Performance and profitability of several business organisations is not determined solely on product portfolio, but on the inimitable resources the organisation has in which structural resource is one of them.



The Resource-Based View (RBV), initially proposed by Wernerfelt in 1984, posits that a firm's sustained competitive advantage stems from internal resources rather than external positioning (Wernerfelt, 1984). RBV contends that firm resources, particularly intangible assets, serve as the foundation for gaining a competitive edge. These resources, when characterized by attributes such as value, rarity, inimitability, and non-substitutability, can position a firm for long-term success. The RBV theory underscores the significance of a firm's ability to organize its resources, thereby cultivating capabilities that lead to superior performance over time. Entrepreneurial activities, integral to RBV according Helfat and Peteraf (2003) play a role in identifying and exploiting opportunities that arise from transforming resources into outputs. In the context of this study, which focuses on microcredit as a financial resource influencing SMEs' financial performance, RBV proves relevant in understanding how strategic resources contribute to competitive advantage and overall firm success.

The Resources-Based View (RBV) has been extensively explored by several contemporary researchers, each contributing unique insights to this strategic management perspective. Furthermore, Helfat and Peteraf (2003) extended the RBV by introducing the notion of dynamic capabilities, highlighting the significance of a firm's ability to adapt and renew its resources over time. Additionally, Wernerfelt (1984) provided foundational work on the RBV by highlighting the role of firm-specific resources in shaping competitive advantage. Recent studies by Makadok (2001) and Kraaijenbrink, Spender, and Groen (2010) have explored the dynamic aspects of the RBV, emphasizing the continuous need for firms to evolve their resource base to meet changing market conditions. These empirical reviews collectively underscore the ongoing relevance and evolution of the Resources-Based View in strategic management research.

3. METHODOLOGY

This study employed survey design as relevant data relating the study were collected with the aid of administered questionnaire to 320 respondents out of a total population of 2896 registered SMEs in Makurdi metropolis based on records by Benue State ministry of commerce and industry as at 31st December, 2022 (Nnanna, 2023). The sample size of 323 was arrived at using Taro Yamane's formula of 1964. Thereafter, the sampled SMEs were randomly selected. The questionnaire was structured in two sections. The first section gathered information on features of the SME, while the second section collected information in respect of the study hypotheses. Summary percentages were conducted and multiple regression analysis was conducted to test the formulated hypotheses with the aid of Statistical Package for Social Sciences (SPSS).

Model Specification

$$\begin{aligned}
 SMEP &= f(SRM) & - & - & - & - & - & - & i \\
 SMEP &= f(INTP, ORGS, MGTP) & - & - & - & - & - & - & ii \\
 SMEP &= \beta_0 + \beta_1 NTP + \beta_2 ORGS + \beta_3 MGTP + \mu & - & - & - & - & - & - & iii
 \end{aligned}$$

Where;

SMEP = Small, Medium-scale Enterprises Performance
 SRM = Structural Resources Management
 INTP = Intellectual Property
 ORGS = Organisational Structure
 MGTP = Management Philosophy



β_0 = Constant
 $\beta_1 - \beta_3$ = Coefficient
 μ = error term

3.1 Summary of Variables and Measurement

Variables		Definition	Source(s)
Dependent	SME Performance	The evaluation and measurement of how well SMEs are achieving their operational, financial and market objectives.	Antonio <i>et al</i> (2020);
Independent	Structural Resources Management	The strategic and systematic organization, allocation, and utilization of an organization's structural resources to achieve its objectives effectively and efficiently. The proxy used for structural resources management are intellectual property; organisational structure and management philosophy.	Bogdan, <i>et al.</i> (2017) and Anifowose <i>et al.</i> (2016)

Source: Researcher's Compilation (2023).

4. RESULTS AND DISCUSSIONS

This part present and analyse data for hypotheses testing to draw conclusions.

4.1. Summary Statistics

This section presents the summary statistics of the data for the study. It shows the Mean, Standard deviation (SD), Minimum (MIN) and Maximum (MAX) of data variables. The result of descriptive statistics is presented on Table1.

Table 1: Summary Statistics

Variables	Obs.	Mean	S.D.	Min	Max
SMEP	320	1.6579	1.1621	0.1766	5.9344
INTP	320	0.6808	0.1675	0.2	0.9333
ORGS	320	0.7094	0.0937	0.4667	0.8667
MGTP	320	0.6047	0.1778	0.15	0.85

Source: STATA 14.2 Output

Table 1 shows the summary statistics of the nature of data used in conducting analysis in this study. The data were collected from 320 collected questionnaires resulting to 320 observations. The statistics revealed that SMEP mean of the sampled companies during the period of study was 1.6579 with a standard deviation (SD) of 1.1621, which is lower than the mean. This indicates a low variation in the data for SMEP among the sampled SMEs for the period under consideration. Also, the mean value for SMEP of 1.6579 being above 1 indicates that the SMEs are doing well.

The SMEP also has a minimum and maximum value of 0.1766 and 5.9344 respectively. The table also showed intellectual property (INTP) with a mean 0.6808 and a deviation of 0.1675, which is lower than the mean. This shows that the data for INTP has minimal variations among the sampled SMEs. Also, INTP has minimum and maximum values of 0.2 and 0.9333 respectively. The table furthermore showed that organisational structures (ORGS) on average stood at 0.7094 with a deviation of 0.0937 which is less than the mean. This indicates a low variation in ORGS among the sampled SMEs in Benue State. The mean value on ORGS of 0.7094 being above 50% indicates that the SMEs did well in managing their structures. The statistics also showed ORGS with minimum and maximum values of 0.4667 and 0.8667 respectively. The statistics finally showed management philosophy (MGTP) with a mean of 0.6047 and SD of 0.1778. The deviation is lower than the mean indicating a low variation in MGTP among the sampled SMEs in Benue state. The mean value on MGTP of 0.6047 being above 50% indicates that the SMEs on do their best in adhering to the philosophy set by management of the SMEs. Furthermore, the statistics revealed SPDI with minimum and maximum values of 0.15 and 0.85 respectively.

4.2. Data Cleaning and Validity Checks

To ensure that the data for this study is fit for the model, the study conducted data normality test as well as a test for multicollinearity and heteroscedasticity among explanatory variables. This section presents the result of correlation matrix, Variance Inflation Factor (VIF) test, and normality test, while test for heteroscedasticity is presented below;

4.2.1. Multicollinearity Test

Test for data was conducted using correlation matrix as presented below;

Correlation Matrix

In order to check relationship existing between the study independent variables, the correlations statistics was employed to reveal the relationships existing among the study independent variables.

Table 2: Correlation Matrix:

	CSDI	DCDI	SPDI
INTP	1.0000		
ORGS	0.3991	1.0000	
MGTP	0.4308	0.4744	1.0000

Source: STATA 14.2 output

Table 2 presents the strength and type of relationship that exists between the study independent variables. A correlation coefficient which is above 0.75 is considered very high and could cause problems in the result. From table 2, all the variables are positively correlated indicating that they all move in the same direction. This means increases in both variables but at a low rate, seeing that correlation range between 0.4744 and 0.3991, below 5%. In sum, there exist no high correlations among the study variables as there exist no correlation that is above 75%. Therefore, the data is considered good for analysis.

4.3 Regression Result

This section presents the regression results of dependent and independent variables.

Table 3 Regression Result for SMEs Performance

Variables	Coefficients	Z	p>/z/
INTP	-0.0089	-1.37	0.170
ORGS	0.2397	3.06	0.002
MGTP	0.1920	2.93	0.003
-cons	1.5959	6.68	0.000
R ²	0.4941		
F-Statistics	25.63		
Prob>F	0.0000		
Obs.	320		

Source: STATA (Version 14.2) Output

Table 3 showed the regression result of structural resource management on SMEs performance in Benue State Nigeria. The regression was conducted using data collected from 320 sampled SMEs in Benue State. The result disclosed R-square of 0.4941, implying that the effect of the independent variables on the dependent variable employed in this study is 49.41%. This further indicates that the identified variables (INTP, ORGP and MGTP) account for 49.41 present of variation in the dependent variable SME performance used in this study, while the remaining 50.59 per-cent of the variation is accounted for by other variables not included in the model. This indicates that structural resource management has moderate effect on SMEs in Benue State. The table also showed F-statistics of 25.63, which signifies that the overall equation is significant at 0.0000 per-cent (below 1%) level, indicating that the model is fit to be used for interpretation.

The result showed that intellectual property has a negative insignificant relationship with SMEs performance with a coefficient of -0.0089. This means that any increase in INTP by one unit will decrease SMEs performance by 0.089%. The results of table 4.8 further revealed that organisational structure has a positive significant relationship with SMEs performance with a positive coefficient of 0.2397. This means that increase in ORGS has positive influence on SMEs performance by 23.97%. The regression results finally disclosed that management philosophy has a positive significant relationship with SMEs performance with a coefficient of 0.1920. This implies that MGTP has 19.20% effect on SMEs performance in Benue State. All things being equal, if the entire variables used in this study are held constant, structural resource management has a significant and positive relationship with SMEs performance in Benue State with a coefficient of 1.5959, z-value of 6.68 and p-value of 0.0000. This entails that increase in structural resource management, will significantly increase SMEs performance in Benue State.

Test of Hypotheses

The formulated hypotheses for this study are tested based on the GLS robust regression results presented in Table 3. Test of these hypotheses is in accordance with the stated decision rule.

H₀₁: *Intellectual property has no significant effect on SMEs performance in Benue state Nigeria.* Table 3 shows the z-value and the associated p-value for the test of this hypothesis. The first hypothesis of this study was tested using the critical region of non-rejection of the null hypothesis set at z-statistics of ± 1.96 and 95% confidence interval. Given the calculated z-value of -1.37 which falls within the critical region of no rejection of the null hypothesis (± 1.96) with *p-value* = 0.170 which is above 5% level of significance, the study accepted the first null hypothesis and concludes that intellectual property has no significant effect on SMEs performance in Benue state Nigeria.



H₀₂: *Organisational structure has no significant effect on SMEs performance in Benue state Nigeria.*

Table 3 also shows the z-value and the associated *p*-value for the test of this hypothesis. The second hypothesis of this study was tested using the critical region of non-rejection of the null hypothesis set at z-statistics of ± 1.96 and 95% confidence interval. Given that the calculated value of z-value is 3.06 which falls outside the critical region of ± 1.96 , with *p*-value = 0.002 which is significant at 5%. This study failed to accept the second null hypothesis but rejects it and concludes that organisational structure has significant effect on SMEs performance in Benue state Nigeria

H₀₃: *Management philosophy has no significant effect on SMEs performance in Benue state Nigeria.*

Table 3 shows the z-value and the associated *p*-value for the test of this hypothesis. The third hypothesis of this study was also tested using the critical region of non-rejection of the null hypothesis set at z-statistics of ± 1.96 and 95% confidence interval. Given that the calculated value of z-value = 2.93 which falls outside the critical region of ± 1.96 , with *p*-value = 0.003, lesser than 5% level of significance, this study fails to accept the third null hypothesis and concludes that management philosophy has significant effect on SMEs performance in Benue state Nigeria.

4.4. Discussion of Findings

The findings drawn from the test of hypotheses are discussed in this section. The discussion of the findings is in accordance with the effect intellectual property, organizational structure and management philosophy on SMEs performance in Benue State, Nigeria.

4.4.1. Intellectual Property Management and SMEs Performance

The test of hypothesis one showed statistically that intellectual property management has negative and insignificant effect on SME's performance with z-value of -1.37 and p-value of 0.170. This entails that CSD will lead to reduction in market value though not significantly. This finding contradicts the findings of Enrico *et al.* (2020), Corvino *et al.* (2019), Silvio *et al.* (2016) and Aurangzeb *et al.* (2021) whose studies found positive and significant relationship between intellectual resource management and SME's performance.

4.4.2. Organizational Structure Management and SMEs Performance

Test of hypothesis two revealed that organizational structure management and SMEs performance. The test is statistically significant with a z-value of 3.06 and p-value of 0.002. This indicates that effective and efficient management of organisational structures enhance SMEs performance. This finding coincides with the study of Enrico *et al.* (2020), Corvino *et al.* (2019), Silvio *et al.* (2016) and Aurangzeb *et al.* (2021) who found significant positive association between organizational structure management and SMEs performance.

4.4.3. Management Philosophy and SMEs Performance

Result of the test of hypothesis three in this study showed a positive and significant relationship between management philosophy and SMEs performance in Benue State. The test is statistically significant with a z-value of 2.93 and p-value of 0.003. This result also indicates that the management philosophy plays key role in enhancing SME's performance in Benue State. This finding entails that management philosophy helps guide and regulate SMEs operation which enhance its performance. This finding supports the findings of Enrico *et al.* (2020), Corvino *et al.*



(2019), Silvio *et al.* (2016) and Aurangzeb *et al.* (2021) who also found in their studies that management philosophy and SMEs performance in Benue State.

5. CONCLUSIONS AND RECOMMENDATIONS

The study examined effect of structural resource management on SME's performance in Benue State, Nigeria. On the basis of the above findings, the study concludes that Intellectual resource management shows an insignificant and slightly negative impact on SMEs performance in Benue State, while organizational structural management and management philosophy are both statistically positive and significant predictors, indicating their substantial influence on enhancing SMEs performance in the region.

In line with the findings of this study, the following recommendations are made;

- i. SMEs reconsider their strategies concerning the management of intellectual resources. While the specific nature of this negative impact may require further investigation, it suggests that SMEs should critically evaluate their current approaches to intellectual property management and explore potential areas for improvement.
- ii. Based on the finding that effective and efficient management of organizational structures enhances SMEs performance, a key recommendation for SMEs is to prioritize the implementation of robust organizational structures. This involves establishing clear lines of authority, communication channels, and well-defined roles and responsibilities within the organization. SMEs should consider conducting regular organizational audits to assess the efficiency of their structures and make necessary adjustments.
- iii. Based on the positive and significant relationship found between management philosophy and SMEs performance, it is therefore recommended that there is need for SMEs to prioritize the development and implementation of a clear and effective management philosophy. This entails defining a set of guiding principles, values, and strategies that align with the organization's objectives and the local business environment. SMEs should invest in leadership training and development programs that focus on instilling the identified management philosophy throughout the organization.

References

- Adegbuyi & Fowowe, (2020) Intellectual capital information voluntarily disclosed in the annual reports of companies listed on the Kuwait Stock Exchange (KSE) and their market and financial performance. *International Journal of financial regulation and compliance*, 25(1), 22-38.
- Adelekan, S.A., & Eze, B. U., & Majekodunmi, S. A. (2019). Bank loan and SMEs performance in Lagos, Nigeria. *Ilorin Journal of Human Resource Management*, 3(1), 1-11
- Adeoye M., Sohail, N., & Aslam, S. (2018). Relationship between intellectual capital and financial performance: The moderating role of knowledge assets, *Pakistan Journal of Commerce and Social Sciences*, 12(2), 521-547
- Alchian, A. A., & Demsetz, H. (1972). Production, information costs, and economic organization. *The American Economic Review*, 62(5), 777-795, <http://www.jstor.org/stable/1815199>.
- Antonio, S., Vitolla, F., Giakoumelou, A., Raimo, N. & Rubino, M. (2020). Intellectual capital disclosure in integrated reports. The effect on firm value. *International Journal of Business and Management*, 12(1); 92-114.



- Aremu, M. A., & Adeyemi, S. L. (2011). Small and medium scale enterprises as a survival strategy for employment generation in Nigeria. *International Journal of Sustainable Development* 4, (1): 200-206.
- Aremu, M. A., & Oyinloye, O. O. (2014). Relationship between strategic management and firms' performance in Nigerian banking industry, *Arabian Journal of Business and Management Review*, 4 (3), 28 – 41.
- Ariyo, D. (2008). Small firms are the backbone of the Nigerian economy. Retrieved from <http://www.AfricaEconomicAnalysis.org>
- Aurangzeb, Asif, M., & Amin, M. K. (2021). Resources management and SME's performance. *Humanities and Social Sciences Reviews*, 9(3), 679-689. <https://doi.org/10.18510/hssr.2021.9367>
- Ayyagari, M., Thorsten, B., & Demircuc-Kunt, A. (2007). Small and medium enterprises across the globe. *Small Business Economy*. 29, 415-434.
- Bøllingtoft, D. K. (2019). The impact of Intellectual Capital Disclosure (IC) on cost of Equity capital. *Journal of economics. Finance, administration and. Science*, 18(34), 45-53.
- Boxall, P; Purcell, J; & Wright, P. M. (2007). *Human resource management: scope, analysis, and significance*. The Oxford Handbook of Human Resource Management.
- Buckley, H. L; Burns, J. H; Kneitel, J. M; Walters, E. L; Munguia, P., & Miller, T. E. (2004). Small-scale patterns in community structure of *Sarraceniapurpurea* inquilines. *Community Ecol.* 5: 181-188
- Campbell, J. (1999). Chapter 19 Asset prices, consumption, and the business cycle. *Handbook of Macroeconomics*. 1(C), 1231-1303.
- Central Bank of Nigeria (CBN) (1998). Financial markets department. Half year activity report.
- Chittithaworn, C., Islam, M. A., Keawchana, T., & Muhd Yusuf, D. H. (2011). Factors affecting business success of small & Medium enterprises (SMEs) in Thailand. *Asian Social Science*, 7(5). <https://doi.org/10.5539/ass.v7n5p180>
- Corvino, A., Caputo, F., Pironti, M., Doni, F. & Martini, S. B. (2019). The moderating effect of firm size on relational capital and firm performance. *Journal of Intellectual Capital*, 12(1), 125-135. DOI: 10.1108/jic-03-2019-0044
- Culkin, N., & Smith, D. (1998), The state of government intervention on the SME Sector 1979 – 1997. *A Market Perspective*”, MA Dissertation, University of Hertfordshire, England.
- Eadie, D. C. (1989). Identifying and managing strategic issues: from design to action. In J. Rabin, G. J. Miller, & W. B. Hildreth (Eds.), *Handbook of Strategic Management*. New York, NY: Marcel Dekker, 169-186.
- Ekpenyong, D. B. (2002). Performance of small scale enterprises in Nigeria during the structural adjustment programme implementation: Survey Findings. *Journal of Financial Management & Analysis*, 15(1), 38-50.
- Eniola, A. A., & Entebang, H. (2014). SME firms performance in Nigeria: Competitive advantage and its impact. *International Journal of Research Studies in Management*, 3(2), 75-86. <http://dx.doi.org/10.5861/ijrsm.2014.854>.
- Enrico L., Michele, D. M., Valentina C., & Niccolo, P. (2020). The relational side of intellectual capital: an empirical study on brand value evaluation and financial performance. *Journal of Intellectual Capital*, 7(2), 112-119. DOI 10.1108/JIC-05-2020-0167
- Etuk, R. U., Etuk, G. R. & Baghebo, M. (2014). Small and medium scale enterprises and Nigerian economic development. *Mediterranean Journal of Social Sciences, MCSER Publishing, RomeItaly*, 5(7), 656 – 662.



- Eze, B. U., Oladimeji, M. S., & Fayose, J. (2019). Entrepreneurial orientation and micro, small and medium enterprises (MSMEs) performance in Abia State, Nigeria. *Covenant Journal of Entrepreneurship*, 3(1), 19-35.
- Ghemawat (2012). Intellectual capital and financial performance in the Serbian ICT industry. *International Journal of Innovative Finance and Economics Research*, 10(1), 43-49.
- Harrison, N. J., & Watson, T. (1998). The focus for innovation in small and medium service enterprises. Proceedings of the twenty-seventh annual meeting of the Western Decision Sciences Institute.
- Helfat, C. E., & Peteraf, M. A. (2003). The dynamic resource-based view: Capability lifecycles. *Strategic Management Journal*, 24(10), 997-1010. <https://doi.org/10.1002/smj.332>
- Hernaus, T., Pavlovic, D., & Klindzic, M. (2019). Organizational career management practices. *Employee Relations*, 41(1), 84-100. <https://doi.org/10.1108/er-02-2018-0035>
- Hormozi, A. M., Sutton, G. S., McMinn, R. D., & Lucio, W. (2002). Business plans for new or small businesses: Paving the path to success. *Management Decision*, 40 (8), 755- 763.
- Ibrahim G. B., & Bin Bardai, B. (2023). Critical Success Factors (CSFs) of SMEs in Nigeria and the mediating impact of SMEDAN initiative between the CSFs and SMEs' success. *International Journal of Business and Economics Research*. <https://doi.org/10.11648/j.ijber.20231203.11>
- Igbaekemen, (2019). (C) 2012 IEEE. 2012 IEEE international system conference (SysCon 2012) proceedings [Copyright notice]. 2012 IEEE International Systems Conference SysCon 2012. <https://doi.org/10.1109/syscon.2012.6189544>
- Johanson, J., & Mattsson, L-G. (1988) Internationalisation in industrial systems – A network approach. In N. Hood & J-E.Vahlne (eds.), *Strategies in Global Competition*, London: Croom Helm, 287-314.
- Johansson, J., & Vahlne, J. E. (1977). The internationalization process of the firm: A model of knowledge development and increasing foreign market commitments. *Journal of International Business Studies*, 8, 23-32.
- Kaplan, R. S., & Norton, D. P. (2000). Classic work: The balanced scorecard: Learning and growth perspective. *Knowledge Management*, 317-336.
- Kraaijenbrink, J., Bos, G., & Groen, A. (2010). What do students think of the entrepreneurial support given by their universities? *International Journal of Entrepreneurship and Small Business*, 9(1), 110. <https://doi.org/10.1504/ijesb.2010.029512>
- Lawal, A. A., & Bello, M.A. (2011). Strategic important of Nigerian small and medium enterprises, *Journal of International Entrepreneurship*, 2: 33-45.
- Lifson, K. A. (1953). Errors in time-study judgements of industrial work pace. *Psychological Monographs: General and Applied*, 67(5), 1-14. <https://doi.org/10.1037/h0093650>
- Lurie, S. M. (1987). Strategic business planning for the small- to medium-sized company. *The CPA Journal*, 57(6), 90-92.
- Makadok, R., & Barney, J. B. (2001). Strategic factor market intelligence: An application of information economics to strategy formulation and competitor intelligence. *Management Science*, 47(12), 1621-1638. <https://doi.org/10.1287/mnsc.47.12.1621.10245>
- Makanga, R. O., & Paul, S.N. (2017). Influence of strategic management practices on performance of Kenya power and lighting company ltd, Nairobi County, Kenya. *The Strategic Journal of Business & Change Management*, 4 (4), 289-306.
- Mbonyane, B. L. (2006). Factors that hinder the growth of small businesses in South African townships. *European Business Review*, 23(6), 550-560.



- Mitgwe, B. (2006). Theoretical milestones in international business: The journey to international entrepreneurship theory, *Journal of International Entrepreneurship*, 4, 5-25.
- Nag, R., Hambrick, D. C., & Chen, M. (2017). The connection between strategic management and adjacent academic fields: A boundary-spanner view. *Academy of Management Proceedings*, 2006(1), 1-6. <https://doi.org/10.5465/ambpp.2006.22896490>
- Neely A., Mike, G., & Ken, P. (2005). Performance measurement system design: A literature review and research agenda, *International Journal of Operations & Production Management*, 25(12) 1228-1263.
- Ngige W., J. (2015). Development of an interactive web Portal for Kenyan tea. *Journal of Tea Science Research*. <https://doi.org/10.5376/jtsr.2015.05.0004>
- Nnanna, O. J. (2023) Financing small business under the new CBN directive and its likely impact on industrial growth of the Nigerian economy. CBN Bulletin 25
- Onugu, B. A. N. (2005). *Small and Medium Enterprises (SMEs) in Nigeria: Problems and prospects*. St. Clements University, Nigeria (Unpublished Dissertation for a Doctor of Philosophy in Management Award)
- Rafinda, A. R., Pramuka, B. A. & Kusuma, P. D. (2012). The trend and variation of intellectual capital disclosure at bank industries in Europe. *Journal of economics, business and accountancy*, 16(1), 105-118.
- Rogers, E.W., & Wright, P.M. (1998). Measuring organizational performance in strategic human resource management: problems, perspectives and performance information markets. *Human Resource Management Review*, 8:3, 311-331.
- Ronan, W. (1971). Development of an instrument to evaluate college classroom teaching effectiveness. Final report. Atlanta, GA: Georgia Institute of Technology.
- Silvio, B. M., Antonio C. F. & Doni A. R. (2016). Relational capital disclosure, corporate reporting and company performance: evidence from Europe. *Journal of Intellectual Capital*, 17(2), 1-15. doi.org/10.1108/JIC-07-2015-0065
- Storey, D. J (1994). Understanding the small business sector, Routledge, London. Storey, D.J. (1994). The role of legal status in influencing bank financing and new firm growth', *Applied Economics*, 26, 129-36.
- Ukaidi, C. (2023). Empirical evaluation of social capital management in the performance of small enterprises in Cross River and Ebonyi states, Nigeria. *Journal of Management Research and Analysis*, 10(4), 219-227. <https://doi.org/10.18231/j.jmra.2023.038>
- Umukoro, G. (2005). *Strategic management for development programme*, Lagos: Alaba Press Ltd.
- Walker, E., & Webster, B. (2004). Gender issues in home-based businesses. *Women in Management Review*, 19(8), 404-412. <https://doi.org/10.1108/09649420410570216>
- Wang, Y., Lo, H.-P., & Hui, Y. V. (2003). The antecedents of service quality and product quality and their influence on bank reputation: Evidence from the banking industry in China. *Managing Service Quality*, 13(1), 72-83.
- Wernerfelt, B., & Karnani, A. (1984). Competitive strategy under uncertainty. *Academy of Management Proceedings*, 1984(1), 42-46. <https://doi.org/10.5465/ambpp.1984.4978193>
- Wheelen, T. L., & David, H. (2010). *Strategic management and business policy*, 12th Edition New York: Pearson Publishing Inc.
- World Bank. 2001. World development report 2002: Building institutions for markets (Washington DC: OUP for World Bank)