



Entrepreneurial Skills and the Success of Small and Medium-Scale Enterprises (SMEs): Wa Municipality, Ghana

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ABSTRACT

This study explored the extent to which entrepreneurial skills are critical for the success of Small and Medium-Scale Enterprises (SMEs) in the Wa Municipality using demographic factors (Age, gender, and educational level), innovativeness, calculated risk-taking, and determination as entrepreneurial measures. Employing a structured questionnaire, data was collected from 411 SME managers through random sampling. Via SPSS, descriptive and inferential statistics were applied in analysing the data. Correlation and regression analyses were performed to determine the nature and extent of the relationship between the independent and dependent variables. The correlation analysis showed that all the metrics influenced SMEs' success positively though determination had no significant correlation ($p > 0.05$). The regression analysis showed innovativeness as the sole factor with the strength to influence SMEs' success to about 13.9% (p -value = 0.001) at ($R^2 = 0.059$, Prob>F = 0.000). SMEs should therefore focus more on research and development projects to succeed.

Keywords: SMEs, Entrepreneurial skills, Firm performance, Success elements, National development, Demographic factors, Innovativeness, Calculated risk-taking, Sense of determination

Introduction

Within the literature of enterprise management, several authors agreed that entrepreneurial competencies lead to firm sustenance (Diabate et al., 2019; Li et al., 2021). Entrepreneurial skill is regarded the most crucial determinant having impact on firm performance (Radzi et al., 2017). With such recognition given entrepreneurial skills, it would have been expected that the factor maintains this high status among scholars or at least moderately recognised.

However, studies such as (Adjei & Denanyoh, 2016; Nieuwenhuizen, 2019) did not even acknowledge entrepreneurial competencies as part of factors influencing firm performance. So as (Lampadarios, Evripidis, Niki Kyriakidou, 2017) hinted, the relevance of the well-known success elements seems to alter from one domain to the other. A success factor celebrated in one environment, might not be of the same eminence in other. These evoke that even though majority of the scholars regard skill in entrepreneurship to critically drive SMEs success, it is not always a Critical Success Factor (CSF) for SMEs in all terrains. Hence, since in the Wa Municipality, Ghana there is at the moment no research study examining whether entrepreneurial skills constitute a critical factor influencing the success of SMEs, this study evaluated that in order to close the research void. The main focus of the study is therefore to examine the extent to which entrepreneurial skills constitute a key factor responsible for the success of SMEs in the Wa Municipality. To accomplish this, the study tested the hypothesis below:

H1: Entrepreneurial skills are critical for the success of SMEs

Meanwhile, it must be emphasised that the relevance of the study rests on the credit accorded SMEs. These entities are appraised as the mainstay of economies (Alfoqahaa, 2018), as they generate employments, expand

Gross National Incomes, and mitigate poverty levels. However, most SMEs wind-up rather early (Gwadabe & Amirah, 2017) thereby failing to contribute to national development. As such, the study added knowledge on SMEs' critical success factors literature and also made recommendations to help realise the fullest potential from the sector.

The rest of the paper has been organised as follows: section two involved the review of related literature, section three discussed the methodology while chapter four presented the findings and discussions. The final section offers the conclusion and recommendations for policy guidance and intervention.

Literature Definition of SME

Literature reveals varied definitions of what constitutes an SME (Adjei & Denanyoh, 2016) There is also no settlement on the composition of the term. The variations in definition span across institutions, countries, and among researchers with regards to the standards employed.

So at present, the SME concept is collectively viewed as a relative expression (Madani, 2018), as it has still not been comprehended in a uniform manner.

Ghanaian viewpoint of an SME

Similar to the global picture, there is no standardised definition of what SME stands for in Ghana. Multiple definitions exist with differing criteria employed (Kwaku Amoah, 2018). Scholars and national institutions differed in conceptualising the term. Despite these, the study embraced the definition offered by the National Board for Small Scale Industries (NBSSI) which regards an SME as a firm that engages workers not surpassing workforce strength of nine (9) with immovable assets also not beyond ten (10) million Ghanaian cedis (Kwaku Amoah, 2018).

Appraisal of SMEs' success

Symmetrical to the definition of SME, there is no agreement on what its success entails. Despite being symbolical to the word victory and similar others, (Mabhungu & Van Der Poll, 2017) reported that a small firm manager and not an outsider, is the one that could well specify the success or otherwise of the firm he/she manages. This implies that different individuals venture into business with different motivations. Meanwhile, though success is married with performance such that a performing venture is considered a successful venture (Albassami, Ahmad et al., 2019), the debate still persists on what actually SME success means. Therefore, researchers continuously use varied metrics in determining SMEs' success. Some of these include: asset turnover, returns to equity, profit margins, job satisfaction, firm growth, product innovation, firm survival and a host of other pecuniary and non-pecuniary determiners. Consequently, this study considered SME success as the survival of the business for at least 2 years with the firm operator able to replace the firm's inventory regularly.

Moreover, researchers like (Al-Tit et al., 2019; Busaidi et al., 2019) attempted to fish out Critical Success Factors (CSFs) of SMEs which have been interpreted diversely by many scholars. There is the notion that varied settings have specific CSFs and that a business life cycle stage dictates the CSF of the firm. However, there is the consensus that CSFs should be given priority for SMEs' success because they are key elements responsible for superior firm performance (Ramukumba, 2014).

Evolution and entrepreneurial perspectives

Entrepreneurship evolved from several centuries back. Etymologically, the word 'entrepreneur' which first surfaced in the mid-18th century, metamorphosed from the French word 'entreprendre' meaning an adventurer, an undertaker or to 'carry out' (Edewor et al., 2014). Later, Richard Cantillon, caught scholars' attention to the field while also succeeded in changing public sighting of entrepreneur as a cheater, to that of a hero of creation (Bylund, 2020). In like manner, entrepreneurship seeped into economics through the pivotal role of Joseph Schumpeter, Israel Kirzner and Frank Knight, (Andrew Beattie, Eric Estevez, 2022). Presently, the concept has gained popularity among scholars so much so that an entrepreneur has become an indispensable factor of production responsible for mobilising the rest of the factors for production. Even so, academicians still conceive of an entrepreneur or the concept itself variedly. (Tehseen, 2015) considered an entrepreneurial person as one that grows and nurtures business ventures via novel and creative ways while (Asli et al., 2020) used founder for that of an entrepreneur. Despite the myriad viewpoints (Tefula, 2017) argues that what formally were regarded as dichotomous perspectives might be labeled as entrepreneurship sub-areas which could be utilised to define the diverse facets of entrepreneurship. In relation to that, six schools of thought on entrepreneurship have been identified with each presenting a different model on how the term "entrepreneurship" should be understood (Edewor et al., 2014). These include; the Great person, Psychological characteristics, Classical, Leadership, Management and the Intrapreneurship Schools of thought.

Evaluating these intellectual perspectives, we argue that the Great person and Management schools of thought are the most appealing and with far-reaching implications. This is because they are tied with what is popularly known as nature-nurture controversy where entrepreneurial competencies are seen in the context of whether humans are born with the skill (reflecting the Great person perspective) or the skills are learnt from the

environment (the Management school of thought). Nevertheless, it is acknowledged in line with (Bushe, 2019) that such a discourse usually do not result in unanimity.

Components of entrepreneurial skill

It is widely reported that entrepreneurial competencies are sharpened by certain elements. Some frequently featured among them are stated below:

Demographic factors (Level of education, Gender, Age)

Educational level

Educational level of an SME operator is one of the entrepreneurial attributes that engineers firm success (Lampadarios, Evripidis, Niki Kyriakidou, 2017). SME collapse is closely related to the absence of manpower training and education (Saah, 2022). Human resource development of a business manager, is associated with the number of years he/she used up in school or during training (Ogubazghi & Muturi, 2014). This implicitly manifests the significance of educational attainment to entrepreneurial prowess.

Gender

The role of gender to firm performance has been a debate. While (Shava & Rungani, 2016) stated that with the same amount of education both men and women perform in same manner, (Taghizadeh-hesary, 2019) divergently contended that female-owned firms perform poorly relative to their male counterparts in a patriarchal milieu. Male-favored reports were equally carried by (Kiefer et al., 2022) and others. Against this point, female-owned firms perform better than those of males in some specific areas, (Prijadi & Desiana, 2017). So generally, gender if is carried as playing a role in firm performance.

Age of Owner-Manager

Age is considered a stint in the span of life within which certain proficiencies surface as it progresses (Sajilan et al., 2015). Despite the absence of a collective model specifying the range of years that should constitute young age or old age for business considerations, age is usually measured as a binary construct specifically into young and old groupings. These ranges are thus mostly left at the discretion of the researcher. In terms of the influence of age to firm performance, some scholars (Tuffour et al., 2022) found no material impact while others like (Matchaba-hove & Goliath, 2016) affirmed a positive link. Generally, scholars still debate on which age group (young or adult) perform better than the other in business.

Innovation

Innovation is about introducing a new idea, product or proposing something outside of the norm.

Studies highlighted the criticality of the metric to SMEs survival (Hanaysha, J. R., Al-Shaikh, M. E., Joghee, S., & Alzoubi, 2022) as well as other success indicators. Saunila, (2014) identified various facets of innovation including skills enhancement that impact on varied sides of business success. In contrast to the view of majority (Ndesaulwa & Kikula, 2016) found that there is no reliable outcome that innovation always generate the performance of businesses.

Risk-taking

Risk is born out of uncertainty and risk taking is part of business operations. Firms run in multiplex settings making it imperative to survey and manage risk associated. Business risk should be taken but in a calculated manner. Calculated risk taking involves the need to be mindful of the risk environment, identify possible risks in the business industry, analyse the risk environment of the firm and then do risk control. In fact numerous scholars underscored the importance of risk-taking to firm performance despite a few opposing views such as (Akhtar et al., 2015).

Sense of determination

There is no argument that an important thrust toward goals achievement is to be optimistic and loyal towards achieving the targeted goals. As an attribute of individuals with desire for accomplishment (Gwadabe & Amirah, 2017), determination is a psychological capital and personal competency which emphatically results in firm continuous competitiveness and its success (Çavuş & Gökçen, 2015). Its contribution to business success is firmly acknowledged.

Theoretical link between Entrepreneurial skills and SMEs' performance

Theoretically, it is evidenced that there exists a positive link between entrepreneurial skills and SMEs' success. Two main theories supporting the link have been reviewed as below:

Resource-Based View

The Resource-Based View (RBV) framework is among the popular theoretical models employed in management literature to evaluate elements influencing Small-scale Enterprise's performance. According to the theory, to attain competitive advantage, a firm internal capital and proficiencies are very crucial (Kwamena

et al., 2019). Additionally, an enterprise can stand out of its rivals in success as long as it holds in its stock, highly treasured, uncommon resources, both tangible and intangible. The RBV theorists view the proficiencies of an entrepreneur as a vital asset of the enterprise (Kwamena et al., 2019). The theory in effect shows that SMEs should focus on employing unique quality resources for success.

Human Capital Theory

The Human Capital Theory which is much narrower and specific compared to the RBV theory, concentrates on the intangible aspects of firm resources especially on the human capital of the firm.

The theory centers directly on the entrepreneur's knowledge and potentialities being key for SME's effective performance. The theory posits that the propensity of small enterprise's success is contingent upon the entrepreneur's proficiencies and know-how (Kwamena et al., 2019). So, for SMEs to succeed, there is the need to polish the competencies and abilities of entrepreneurs having little human capital capacity.

Research Approach

A survey approach was employed to gather quantitative data for the study. The population is composed of managers of Small and Medium-Scale Enterprises within the Wa Municipality of the Upper West Region of Ghana. An on-line structured questionnaire was designed using Google forms to gather primary data for the study. Similar to (Afriyie et al., 2020) who used lesser sample in conducting pre-test, this study instrument was piloted on a sample of 15 respondents to ascertain the viability of the tool. The instrument's reliability was subsequently verified using Cronbach Alpha coefficient which yielded 0.799. Cronbach Alpha coefficient greater than 0.70 is regarded as good and having passed the internal consistency and stability test (Eltahir, 2018). The test items were therefore reliable. Based on SME population of 18716 provided by the NBSSI Wa Business Advisory Center, the sample size of 400 for the actual study was determined through the Yamane Formula. Meanwhile, 411 respondents ended up providing responses for the study. The increased sample figure could be ascribed to the diligence of ten enumerators who were employed to administer the questionnaire.

After extracting demographic information of the respondents, and firm profile, the instrument extracted information on the degree of appreciation shown by firm operators on some identified entrepreneurial elements. In doing so, a 5-point likert scale was constructed as follows: Strongly disagree=5, Disagree =4, Neutral =3, Agree= 2, and Strongly agree = 1. Finally, using binary data approach, the survey instrument elicited data from the sample SME managers regarding their firm's ability to regularly replace inventory. Data were analysed using inferential and descriptive statistical tools. These were done by means of engaging Statistical Package for Social Sciences (SPSS) software. The descriptive statistics involved percentages, means, frequencies and standard deviations while the inferential statistics involved correlations and regression analysis.

Results and Discussions

The study examined the extent that entrepreneurial skills constitute a critical determinant for the success of Small and Medium-Scale Enterprises in the Wa Municipality of the Upper West Region of Ghana. SME's success was determined by their survival for at least two years along with the firm's ability to regularly replace inventory. Survival of SMEs is one of the non-financial ways in measuring SME success. The ability to regularly replace the firm's inventory, is on the other hand, a unique measure that could determine the success of SMEs. Table 1 shows results of inventory replacement.

Table 1: Success of SMEs (inventory replacement)

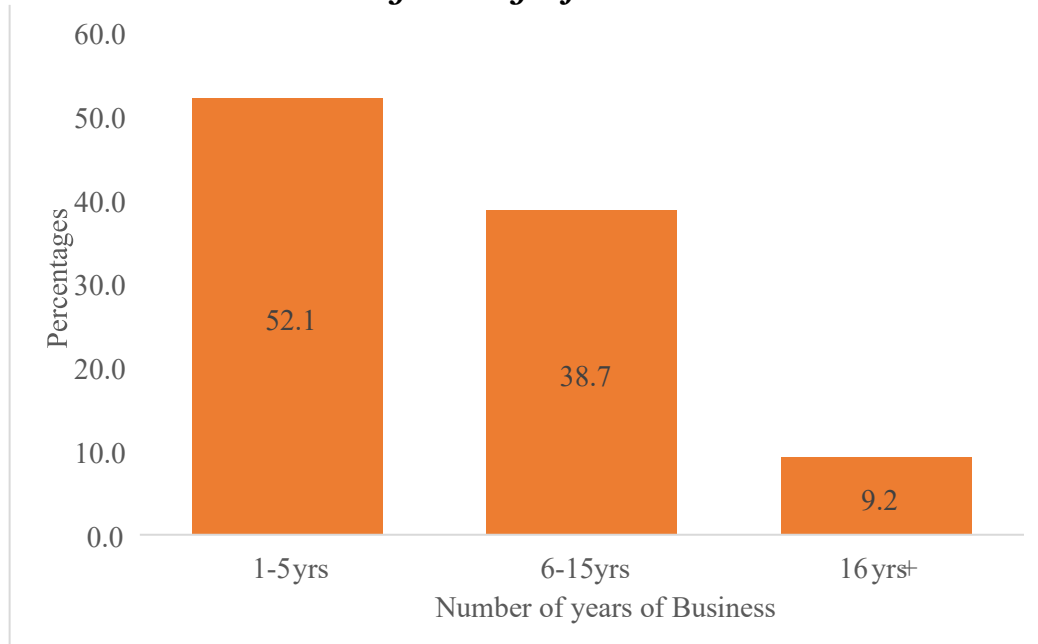
Key Metrics of SMEs Success Statements	Scale	N (%)	Mean (St. Deviation)
Your Firm is able to replace its inventory regularly	No Yes	91 (22.1) 320 (77.9)	1.78 (0.416)
Your firm is able to increase the numbers and values of its inventory	No Yes	111 (27.0) 300 (73.0)	1.73 (0.445)
Your business is able to foot all its labour cost	No Yes	122 (29.7) 289 (70.3)	1.70 (0.457)
Your business is able to pay all statutory obligations	No Yes	120 (29.2) 291 (70.8)	1.71 (0.455)
Your firm is able to pay all other overheads as they fall due	No Yes	117 (28.5) 294 (71.5)	1.72 (0.452)
Weighted Average of SMEs Success		411	2.27 (0.27)

Source: Field Survey (2023)

Per the metric, the results depict that overall, SMEs were successful (Mean = 2.27, Standard Deviation = 0.27). Specifically, more than 70% of the respondents indicated that their firms were able to regularly replace the

firms' inventory, increase the numbers and values of their inventory, able to foot all labor costs, able to pay all statutory obligations as well as pay all other overheads as they fell due. The results at least show the stability of the firms. Regarding the number of years of existence, the findings indicate that majority 52.1% of the operatives were between 1-5 years in operation, while approximately 39% of them fell within 6-15 years. Those who were 16 years or more were 9.2%. Though the results portray that SMEs were successful, the trend also suggests that a large number of SMEs die out of business after their first five years in operation consistent with (Brako Ntiamoah et al., 2016). Figure 1 below shows age of SMEs.

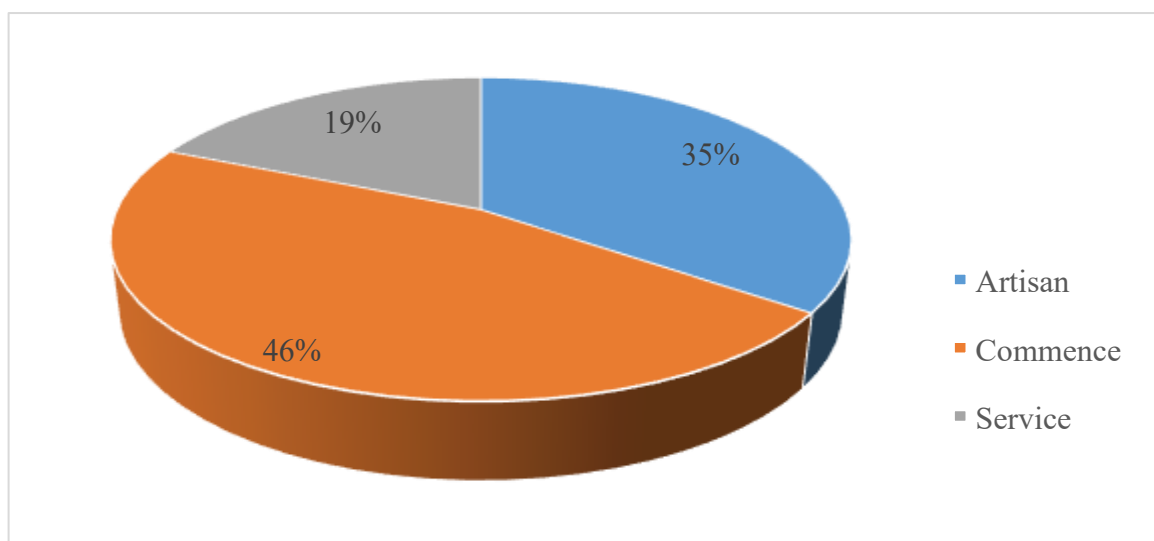
Figure 1: Age of Business



Source: Field Survey (2023)

The research also assessed the type of businesses in the Municipality. As portrayed in Figure 2 below, the study grouped SMEs into commercial, service and artisanal firms consistent with the categorisation of NBSSI Wa Municipality Business Advisory Center.

Figure 2: Categorisation of SME Businesses



Source: Field Survey (2023)

The results show that 46% of the firms were commercial, 35% artisanal and 19% service SMEs. Looking at the figures, it could be argued that the strategic location of the Wa Municipality sitting along the Trans-African trade route connecting southern Ghana where there are harbors, with Burkina Faso, Niger, Mali and other

land-lock West African countries to the north might explain the abundance of trade businesses in the municipality. The Municipality is a transit point and could stimulate business activity. In shifting to the main focus of the study thus determining the impact of entrepreneurial skills on SMEs' success, the following variables of entrepreneurial skills were considered: demographic factors (age, gender, and educational level), previous business experience, risk-taking, and determination. Starting with demographic factors, the study findings are presented in table 2 below.

Table 2: The impact of demographic elements as entrepreneurial factors on success of SMEs

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean (Std. deviation)
Age has a strong influence on small firm success	38 (9.4)	78 (18.8)	64 (15.6)	154 (37.5)	77 (18.7)	3.41 (0.744)
The age of an SME operator influences how well he/she manages a business	35 (8.6)	72 (17.4)	72 (17.5)	155 (37.6)	77 (18.8)	3.39 (0.768)
Older people tend to manage SMEs better than younger people	41 (10.0)	83 (20.2)	66 (16.1)	148 (35.9)	73 (17.9)	3.38 (0.747)
The sex of an entrepreneur influences the success of a business he/she operates	44 (10.8)	90 (21.8)	61 (14.80)	144 (35.1)	72 (17.5)	3.38 (0.730)
Businesses managed by men tend to outperform those managed by women	44 (10.7)	88 (21.4)	73 (17.8)	138 (33.4)	68 (16.7)	3.32 (0.759)
SMEs managed jointly by the two opposite sexes perform better than those managed by a single sex	39 (9.5)	79 (19.2)	76 (18.5)	142 (35.2)	72 (17.6)	3.34 (0.772)
Formal education contributes to the success of your SME	30 (7.3)	61 (14.8)	62 (15.1)	172 (41.9)	86 (20.9)	3.48 (0.743)
SMEs' success is influenced by some specific form of formal education	29 (7.1)	59 (14.3)	69 (16.8)	170 (41.2)	84 (20.6)	3.45 (0.765)
The level of education of an SME operator influences the success of his/her firm	27 (6.7)	56 (13.5)	78 (19.0)	209 (40.6)	41 (20.2)	3.42 (0.790)
To successfully operate an SME the level of education is not a necessity	25 (6.0)	50 (12.2)	76 (18.5)	174 (42.2)	86 (21.1)	3.45 (0.787)
Demographic factors influencing entrepreneurial skills						
(Weighted Score) N = 411 3.40 (0.538)						

Source: Field Survey (2023)

The results in Table 2 shows that 37.5% of the SME Managers agreed and 18.7% of them strongly agreed (Mean = 3.41, Standard deviation = 0.744) that age of the SME operator strongly influence SME's success. Age also affects how well operators run their businesses with 37.6% agreeing while 18.8% strongly endorsing the statement (Mean = 3.39; Standard deviation = 0.768). Other empirical evidences (Okundaye et al., 2019; Sajilan et al., 2015) imply that there are mixed findings regarding the impact of age on SMEs' success. Notwithstanding, this study found that older people manage SMEs better than younger people (Mean = 3.38, Standard deviation = 0.747). In line with that, it can be contended that age moves with experience which leads to avoidance of expensive mistakes and subsequently better business management and success.

Concerning the impact of gender on SMEs' success, over half of the respondents agreed (52.6%) (Mean = 3.38, Standard deviation: 0.730), thereby concurring with (Lampadarios, Evripidis, Niki Kyriakidou, 2017). Furthermore, a combined total of 50.1% of the respondents agreed that male operated firms perform better than female operated SMEs (Mean = 3.32, Standard deviation = 0.759). It should be noted that there is empirical proof of the positive role of gender on firm success (Taghizadeh-hesary, 2019). Yet researchers still differ in their findings on the subject (Nyoni & Bonga, 2018). Meanwhile, it appears that not many scholars evaluated performance of SMEs comanaged by two different genders (male and female) with

those managed by one gender. However, as supported by (Kengne, 2016), this study discovered that SMEs jointly managed by two different sexes perform better than those managed by one single sex with over half of the respondents given assent to that (Mean = 3.34, Standard deviation = 0.772). Exploiting the different gender expertise could result in increased performance of a firm over one operated by a single sex.

The results also covey that most (62.8%) of the respondents accepted (Mean = 3.48, Standard deviation = 0.743) that formal education of an SME operator contributes positively to the success of their firms, counter to (Kassa, 2021). Furthermore, despite appreciating the importance of formal education, the study opposes the significance of the level attained with 42.2 % of the respondents agreed and 21.1% strongly agreeing to that (Mean = 3.45, Standard deviation = 0.787). In fact though (Thompson Agyapong et al., 2018) coordinated the positive effect of formal education to SMEs' success, the researchers diverged from this study from the aspect of the level of education.

There is also a debate as shown in (Abdul et al., 2021; Saah, 2022) regarding whether the type of educational course studied by the SME operator influences his/her firm success. This study results support the proponents that SMEs' success is influenced by some specific formal education with approximately 62% (Mean = 3.45, Standard deviation: 0.765) of the respondents claiming that. In conformity with the argument of the Management school of thought of entrepreneurship, operational skills in firm management could be gained or polished through educational courses like entrepreneurship and business management studies. Essentially, the study revealed that entrepreneurial skills are sharpened by demographic factors which in turn determine SME success (Mean = 3.40, Standard deviation = 0.538).

Pertaining to the extent to which innovativeness affect the success of SMEs, Table 3 below presents the results.

3: The influence of innovativeness on the success of SMEs

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean (Std. deviation)
Innovativeness contributes to the success of a smallscale business	21 (5.1)	42 (10.2)	37 (9.0)	208 (50.5)	103 (25.2)	3.67 (0.64)
With innovation your firm could gain an edge over other competitors	22 (5.5)	46 (11.0)	41 (10.0)	202 (49.0)	100 (24.5)	3.64 (0.66)
Innovation improves the market share of your firm	24 (5.9)	49 (11.9)	45 (10.9)	196 (47.6)	97 (23.7)	3.60 (0.68)
Innovativeness	Weighted Score	N= 411	3.64 (0.44)			

Source: Field Survey (2023)

The results in Table 3 show that 75.7% of the respondents (Mean = 3.67, Standard deviation = 0.64) concurred that being innovative as a manager influences the success of SMEs. Furthermore, innovation could make a firm gain an edge over other competitors as held by majority (73.5%) of the respondents (Mean = 3.64, Standard deviation = 0.66). Innovation also improves firm market share with 71.3% of the respondents holding that (Mean = 3.60, Standard deviation = 0.68). These results tally with that of (Mabhungu & Van Der Poll, 2017). Indeed innovation has gained popularity in firm operations perhaps because of its' capacity to enhance ways of handling business problems leading to superior business outcomes. It has the potency of positioning firms favorably among peers.

On the extent to which business experience determines the success of SMEs, Table 4 below illustrates the results.

4: The influence of business experiences to the success of SMEs

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean (Std. deviation)
Experience largely determines an SMEs' success	15 (3.7)	31 (7.5)	36 (8.8)	220 (53.4)	109 (26.6)	3.71 (0.617)
Experience is needed greatly if a business is to survive	15 (3.7)	31 (7.5)	36 (8.8)	220 (53.4)	109 (26.6)	3.71 (0.635)
To successfully operate your business, experience is key	16 (3.9)	32 (7.8)	39 (9.5)	216 (52.6)	108 (26.2)	3.69 (0.635)

A firm operator with business experience than one without such experience	16 (3.9) (53.1)	32 (7.8) will	36 (8.8) perform	218 better	109 (26.5)	3.71 (0.619)
Business experiences Weighted Score N = 411 3.71 (0.437)						

Source: Field Survey (2023)

The results in Table 4 reveal that most (80.0%) of the respondents agreed that experience largely determines SMEs' success (Mean = 3.71, Standard deviation = 0.617) and so regarded it a key factor for SMEs' operations with 78.8% endorsement (Mean = 3.69, Standard deviation = 0.635) as well as their survival with 80% acceptance (Mean = 3.71, Standard deviation = 0.635). More so, over 3/4 of the managers validated that a firm operator with business experience will perform better than one without it (Mean = 3.71, Standard deviation = 0.619). The results conforms with (Alani Lawal et al., 2016) which together contradicts reports of (Diabate et al., 2019). Nevertheless, many scholars see experience as making a firm manager insulated from making tragic errors in business.

Moving to risk taking, Table 5 presents results of its impact on the success of SMEs.

5: The impact of risk-taking on the success of SMEs

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean (Std. deviation)
Risk-taking is part of business operations	19 (4.8)	40 (9.6)	31 (7.5)	214 (52.1)	107 (26.0)	3.71 (0.600)
To be successful as a business, you need to be mindful of the risk environment	18 (4.3)	36 (8.8)	40 (9.7)	212 (51.4)	105 (25.7)	3.67 (0.645)
You need to identify possible risks in the SME industry so as to succeed	17 (4.2)	35 (8.5)	49 (11.9)	207 (50.3)	103 (25.1)	3.64 (0.687)
To succeed in your firm operations, you need to analyse the risk setting of the business	19 (4.6)	38 (9.3)	46 (11.2)	206 (50.0)	102 (24.9)	3.64 (0.675)
To succeed as an SME operator, you need to do risk control	19 (4.7)	39 (9.4)	45 (10.9)	206 (50.0)	102 (24.9)	3.64 (0.671)
Risk-taking	Weighted Score 411 3.66 (0.471)					

Source: Field Survey (2023)

The results (Table 5), compositely established (Mean = 3.66, Standard deviation = 0.471) that calculated risk-taking is crucial for the success of SMEs. Elaborately, most of the respondents (52.1%) agreed and (26.0%) strongly regarded risk taking as part of business operations. Taking calculated risks which embodies being mindful of the risk environment, ability to identify possible risks in the SME industry, analyse the risk environment of the firm and also the ability to do risk control, have been regarded by at least 50% of the respondents on each component as crucial for SME success. The significance of calculated risk-taking to SMEs' success is recognised in the literature (Unegbu & Onuoha, 2023). Firm owners often employ consultants to minimise investment risks while increasing success. By studying market trends among others, consultants normally get the leverage to advice their clients on how to reduce risks associate with their businesses. The study also presented results of determination (Table 6 below) and its influence on SMEs' success.

Table 6: The extent to which sense of determination influences the success of SMEs

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean (Std. deviation)
You set carefully planned business targets in order to succeed	18 (4.5)	38 (9.1)	37 (9.0)	212 (51.6)	106 (25.8)	3.68 (0.630)

For your firm to succeed, you need to formulate strategies to achieve your business goals	17 (4.3)	36 (8.6)	47 (11.4)	208 (50.5)	103 (25.2)	3.64 (0.678)
To succeed as a business, you harness necessary resources so as to achieve your goals	21 (5.2)	43 (10.4)	51 (12.4)	198 (48.0)	98 (24.0)	3.60 (0.700)
You need to evaluate your business objectives from time to time in order for your firm to succeed	21 (5.2)	43 (10.4)	56 (13.6)	194 (47.2)	97 (23.6)	3.57 (0.720)
To succeed as a business, you need to follow laid down rules and regulations	20 (4.9)	41 (9.9)	50 (12.2)	200 (49.0)	100 (24.0)	3.61 (0.695)
Determination	Weighted Score	N = 411	3.62 (0.486)			

Source: Field Survey (2023)

The results in Table 6 show that being determined is necessary for the success of the SME (Mean = 3.62, Standard deviation = 0.486). This is clearly exhibited in the pointers manifesting sense of determination. Specifically, a cumulative figure of over half of the respondents assented that SMEs need to set carefully planned business goals (77.4%), formulate business strategies (75.7%), harness necessary resources (72%), evaluate business objectives from time to time (70.8%) and should follow laid down rules and regulations (73%) if they are to succeed. Determination sparks the spirit to push ahead for goal achievement. So, it is found to positively predict SMEs' long-term sustenance (Neneh, 2011), though more empirical studies are still needed to confirm these results.

Following the descriptive analysis above, the study went to evaluate the connection between entrepreneurial skills and SME success, using Pearson correlation and linear regression models at a confidence level of 95%. The results are presented in Table 7 below.

Table 7: The effect of Entrepreneurial skills on SMEs' Success

Variables	SMS Success: (Correlation Model)	SMS Success: (Regression Model)	Hypothesis Decision
Socio-demographic factors (age, sex, educational level)	0.146** (0.003)	0.0429 (0.0260)	Reject H ₁
Innovativeness	0.219** (0.000)	0.139*** (0.0399)	Fail to reject H ₁
Experiences	0.103* (0.037)	-0.0702 (0.0471)	Reject H ₁
Risk-taking	0.130** (0.009)	0.0403 (0.0475)	Reject H ₁
Sense of determination	0.088 (0.075)	-0.0129 (0.0391)	Reject H ₁
Constant	-	1.995*** (0.0779)	
Observations	411	411	
R-squared	-	0.059	
Prob > F		0.000	

Source: Field Survey (2023); P-values in parentheses in correlation model and Standard errors in parentheses in regression model: * p<0.01, ** p<0.05, * p<0.1**

The correlation results show that socio-demographic factors, innovativeness, experience, and risktaking are critical factors that positively influence the success of SMEs. The results suggest that a 1% increase in these factors would result in a percentage increase in the success of SMEs in the

Wa Municipality. However, the study found that the entrepreneur's sense of determination had no significant association with SME success ($p > 0.05$).

To determine the extent to which these factors influence an SME's success, the results in the regression model showed that innovation capability of SME operators was the only critical factor that had a significant chance of influence to increase an SME's success to about 13.9% (p-value = 0.001) at ($R^2 = 0.059$, Prob>F = 0.000). However, based on the above findings we fail to reject the alternate hypothesis set.

Conclusion

This study focused on the extent to which entrepreneurial skills determine the success of SMEs in the Wa Municipality of Ghana. Entrepreneurial skills were determined by demographic factors (age, gender and education level), innovativeness, calculated risk-taking and determination. With random sampling technique, data was collected from 411 SME managers by means of a structured questionnaire. Through statistical package for social sciences (SPSS), descriptive and inferential statistical analyses were conducted. Pearson correlation and regression analysis were used to determine the nature and extent of association between entrepreneurial skills and SMEs' success. At confidence interval of 95%, the correlation results indicate that except sense of determination

($p > 0.05$), which had a positive but very weak correlation with SMEs' success, the remaining factors influence SMEs' success positively and significantly. However, results of the regression analysis showed that innovative ability of SME operators was the only critical factor having the most significant influence to increase an SME's success to about 13.9% ($p\text{-value} = 0.001$) at ($R^2 = 0.059$, $\text{Prob}>F = 0.000$).

Consequently, it is advocated that owners of SMEs including start-ups in the Municipality, should focus attention on sharpening their innovative skills for improved success of their firms. They should accordingly concentrate attention more on research and development projects.

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