



Meta Analysis of Entrepreneurial Skill and Motivation On Business Performance: Mediating Role Of Strategic Leadership In SME Sector Of Ethiopia

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ABSTRACT

This study will aim to analyze the effects of entrepreneurial skill and entrepreneurial motivation on Business performance, With mediating role of strategic leadership: The case of selected SME Sectors in Guji Zone oromia regional state, Ethiopia. The study was employed a Quantitative research design method by using surveys questionnaire to collect data. The selections of the respondent for this study will random sampling and purposive sampling for SME owners and leaders of both zonal and towns job opportunity creation and skill office and are purposely selected to respond the questionnaires. Since the Zone is so large in size, the researcher will select 5 towns Nagele, Adola, Shakiso, Bore and Haro wachu. A total of 382 respondents will be selected as sample size. Estimating the total population as 2,322 owners and job opportunity creation and skill office leaders in 5 towns, the sample size 382 will be determined by using Yamane (1967) Because of its simplicity to use. The analysis of data is took place by using Classical Linear Regression Model. In this case, the analysis of data involved the use of chi square, correlation and ordinal logistic regression in order to analyze the effects of entrepreneurial skill and entrepreneurial motivation on business performance, with mediating role of strategic leadership. Result indicated that, all variables have positive and significant effect on business performance.

Keywords: Entrepreneurial skill, Entrepreneurial Motivation, Strategic Leadership, Business performance.

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INTRODUCTION

Now days, Small and Medium Enterprises (SMEs) play a vital role of local as well as country economic development in both high income and low income economies. Farther more, they have significant contribution to the Gross Domestic Product (GDP), poverty alleviation, equal distribution of income, tax revenues, export performance, domestic savings, employment creation and also entrepreneurial development of an economy (Wakjira & Kant, 2022). Adding to this, Many scholars and policy makers are on the same page that entrepreneurship is highly pertinent to today's societies' success because of its demand and effects on economic growth, technological development, and new in market (Schlepphorst et al., 2020). Hence, today, entrepreneurial skill with entrepreneurial motivation is

considered as 21st-century skills; one of the basic meta capabilities that the young generation will need to develop to succeed in life. In addition to this, Challenges are inevitable in entrepreneurship, and having the motivation to start a new business is one of them. According to Jufri and Wirawan (2018) stated that children learn entrepreneurship skills from their young age through games and get their self-employment positions in society. This indicated how entrepreneurial skill has crucial role in business performance and is foundation for young generations to start a business. Thus, this issue is still a problem in Ethiopia, specifically in the current study areas of Guji Zone. In line with entrepreneurial skill, different scholars' defined motivation as the aspiration or propensity to systematize, manipulate and master ideas or organizations as quickly and independently as possible. According to Shane et al. (2020) classified entrepreneurial motivations into general (vision, drive, locus of control, passion, need for achievement and desire for independence) and task specific (self-efficacy and goal setting). According to Schlepphorst et al. (2020) described intention as ambition influenced by a set of motivations, leading to actual behavior. Other studies have shown that entrepreneurial motivations act as a determining business performance Atienza-Sahuquillo (2017), Lang and Liu (2019). Farther more, to become a successful entrepreneur, strategic leadership is considered as a very important element. According to Asbari (2020), the current global challenge is if a company or organization can survive in increasingly fierce competition. In this case, the leader is the main element in an organization as a policy maker and decision maker. Leaders in an organization are required to have the ability, expertise, strategy, and skills to control and lead the organization to move on the right path (Astuti et al. 2020). Generally, Several factors could influence the success of business performance. These factors include entrepreneurial skill, entrepreneurial motivation and strategic leadership, which leads individual's ability to turn ideas into actions (Kagnew, 2018; Ahmad & Ahmad, 2021). However, the performance of SME sectors in Ethiopia, specifically in Guji zone which is far away from the center i.e capital city of Ethiopia, lacks entrepreneurial skill and entrepreneurial motivation which hinder them not to become profitable business. Due to the fact that, the current study will focus on assessing the effects of entrepreneurial skill and entrepreneurial motivation on business performance of SME sector with mediating role of strategic leadership in the case of Guji Zone oromia regional states, Ethiopia.

Statement of the Problem

As the world economy continues to move towards increased integration, some of the greatest opportunities for Micro and Small Sized Enterprise (MSEs) will derive from their ability to participate in the global marketplace (Wakjira, & Kant, 2022). It is generally accepted that SMEs are becoming increasingly important in terms of employment, wealth creation, and the development of innovation (Asefa & Kant, 2022). However, there are considerable problem about the quality of management/strategic leadership/ enterpreneural skill and enterpreneural motivation in this sector and other issues like weaknesses in innovation, a lack of financial acumen, marketing, entrepreneurial flair, practical knowledge, and human resource management (Adula et. al. 2022). As a result, many firms do not reach their full potential and fail to grow (Kagnew, 2018; Ahmad & Ahmad, 2021).

Farther more, There exist diverse economic, social and political problems at different magnitudes facing nations of the world and the third world countries are not excluded (Schlepphorst et. al., 2020). These diverse economic, social and political problems have adversely affected the sustainable development of the countries, including the high unemployment rate they are currently facing (Uju & John, 2018) . In lin with this, Unemployment has become a global phenomenon of the 21st century; the study conducted in Malaysia indicated that, the problem of un employment is becoming more complex each passing year. Unemployment, under employment and rural urban migration have enveloped the Malaysia labour market (Hui Lim & Ban Teoh, 2021).

In this case, in order to alleviate the problem of un employment SME sector has vital solution. Due to this fsct, in recent years, the SME trends gradually increase in the worldwide (Wakjira & Kant, 2022). Most of the SME entrepreneurs would like to engage in this type of business because the start-up of SME could be based on a relatively small investment.(Child et al., 2022) How ever, eventhogh many researchers are devoted their time on investigating the importance of SME sector in promoting the economic development of the country including reducing the number of un employ ment, the performance of SME sector is still in question mark. In this case, Various studies has been conducted on the performance of SME sector, For isstance, the study conducted on effects of Entrepreneurial

motivation on fostering interest in the case of Indonesia stated that, someone is not interested in something if there is no motivation to do it, (Abdul Al & Mostafa, 2019) and (Putra & Adnyani, 2021) Farther more, the study conducted on the effect of strategic leadership on intellectual capital in Jordan (Zubi & Khalid, 2022) stated that strategic leadership has asignificant and positive effect on improving intellectual capital . Haw ever both studies are not address the the effect of enterpreneural skill on business performance which has theoretical gap and context gap, whwre as the current study will focuss on combining the effects of enterpreneural skill and enterpreneural motivation on business performance of SME sectors with mediating role of strategic leadership the case of Guji Zone oromia regional state, Ethiopia. Generally, Several factors could influence the success of business performance. These factors include enterpreneurai skill, enterpreneural motivation and strategic leadership, which leads individual's ability to turn ideas into actions (Diabate et al., 2019) and (Badr El-Deen & Ali, 2021).

How ever, the performance of SME sectors in Guji zone which is far away from the center i.e capital city of Ethiopia is still not developed. The factors that hinders the performance of SME sector in the areas may be lack of enterpreneural skill, eterpreneural motivation and strategic leadership. which hinder them not to become profitable business. Due to the fact that, the current study will focus on assessing the effects of enterpreneural skill and enterpreneural motivation on business performance of SME sector with mediating role of strategic leadership in the case of Guji Zone oromia regional states, Ethiopia.

Meta-Analysis of Reviewed Literature

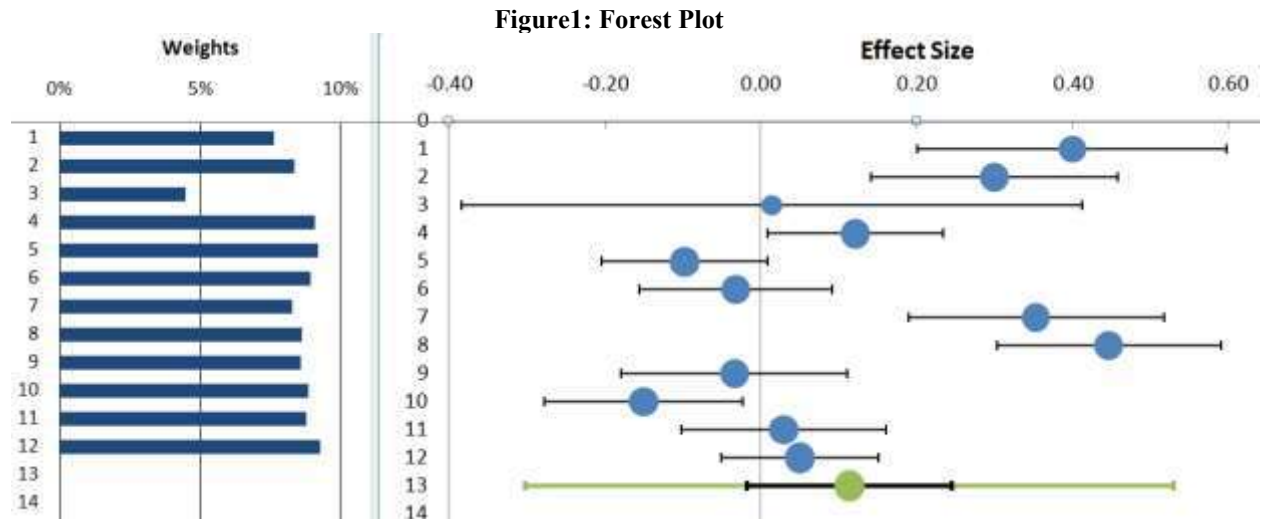
A series of workbooks called Meta-Essential makes it easier to integrate and synthesize effect sizes from many research and offers graphics, tables, and statistics that may be useful for doing so. Based on the statistical data from each individual study, Meta-Essential produces statistical data on a collection of studies of the same topic.

Table 1: Effect Size of Reviewed Studies

| Study name | R | N | Varia | Wt. (fixed) | Wt. (random) | Wt. % |
|----------------------------|-------|--------|-------|----------------|-----------------|----------|
| Ahmad & Ahmad, 2021 | 0.42 | 100.00 | 0.01 | 100.00 | 23.65 | 7.64% |
| Wakjira, & Kant, 2022 | 0.31 | 130.00 | 0.01 | 156.25 | 25.85 | 8.35% |
| Asefa & Kant, 2022 | 0.02 | 80.00 | 0.04 | 25.00 | 13.84 | 4.47% |
| Hui Lim & Ban Teoh, 2021 | 0.12 | 300.00 | 0.00 | 301.89 | 28.10 | 9.08% |
| Child et al., 2022 | -0.10 | 345.00 | 0.00 | 344.51 | 28.42 | 9.19% |
| Putra & Adnyani, 2021 | -0.03 | 255.00 | 0.00 | 251.50 | 27.58 | 8.91% |
| Zubi & Khalid, 2022 | 0.37 | 120.00 | 0.01 | 146.29 | 25.57 | 8.26% |
| Diabate et al., 2019 | 0.48 | 130.00 | 0.01 | 189.06 | 26.62 | 8.60% |
| Badr El-Deen & Ali, 2021 | -0.03 | 190.00 | 0.01 | 185.41 | 26.54 | 8.58% |
| Adula et. al. 2022 | -0.15 | 240.00 | 0.00 | 239.66 | 27.43 | 8.87% |
| Schlepphorst et. al., 2020 | 0.03 | 232.00 | 0.00 | 223.40 | 27.21 | 8.79% |
| Kant, 2023 | 0.05 | 384.00 | 0.00 | 379.90 | 28.64 | 9.26% |

Source: Meta Essesntial Output (2023)

The researchers visualized the association combined effect estimation and heterogeneity amongst the used studies by using a forest plot to represent the meta-analysis.



Source: Meta Essesntial Output (2023)

The results of the plot area are calculated using a random effect model, with a 95% confidence interval, as shown in Table # above. Because the scholar employed the n (number of samples) and r (correlation) used by earlier researchers in the study used by the scholars, the combined coefficient of determination founded by the researcher through plot area is 0.75 in the form of partial correlation. The meta-analysis model's P-value was 0.000, ($p=0.000$ 0.05). It indicates that the data really wasn't homogeneous or that the data's heterogeneity is considerable. Hence, the random effect model was chosen as the combined effect size model.

Moreover, the I^2 magnitude was determined to be 95.51% as a result of heterogeneity. I^2 is greater than a chosen percentage (25%).

Table 2:Meta-analysis model

| Model | Random effects model |
|-----------------------------|----------------------|
| Combined Effect Size | |
| Partial Correlation | 0.11 |
| Z-value | 1.92 |
| One-tailed p-value | 0.027 |
| Number of incl. studies | 12 |
| Heterogeneity | |
| I^2 | 87.03% |
| T^2 | 0.03 |
| T | 0.18 |

Source: Meta Essesntial Output (2023)

A summary of the effect magnitude is shown in the figure above. meta-analysis eleven items were examined, as seen on the left. The forest plot consists of several features, such as the lower limit at the left end, the upper limit at the right end, and a bullet with various sizes in the middle, whose breadth denotes the weight sizes and whose position denotes the magnitude of each study's influence.

1.4 Meta Analysis for Intermediate studies

In the context of a meta-analysis, the term "moderator analysis" refers to the application of a procedure in an effort to identify and take into account systematic variations in the magnitude of the effect or outcome under consideration.

Table 3: Moderator Analysis

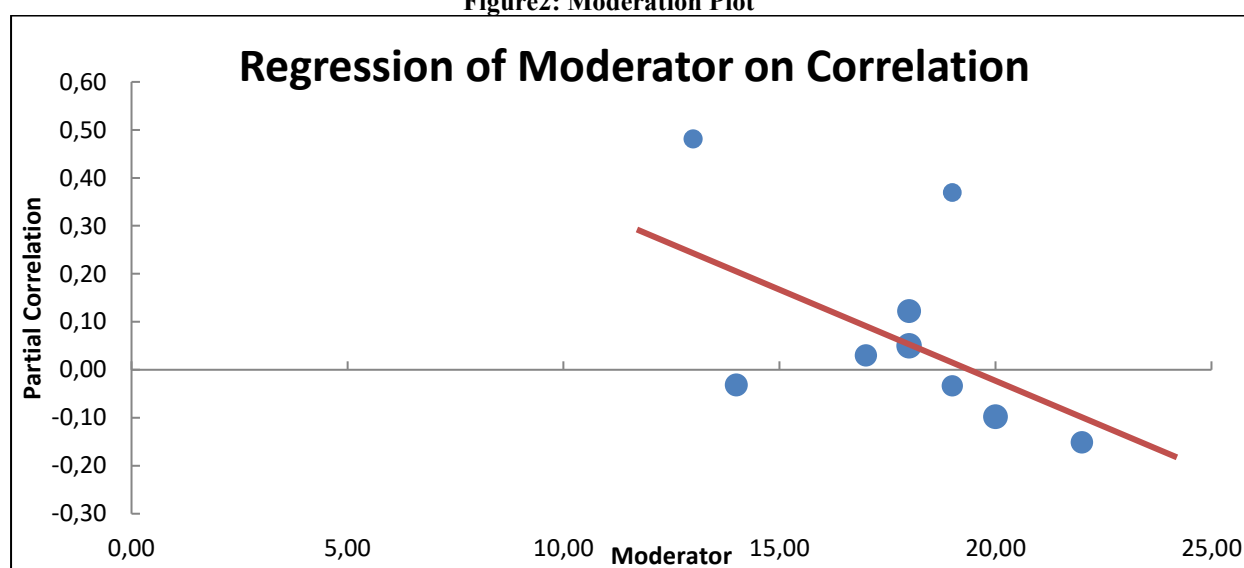
| Study name | Moderator | Partial Correlation (z) | Standard Error | Weights |
|--------------------------|-----------|-------------------------|----------------|---------|
| Hui Lim & Ban Teoh, 2021 | 18.00 | 0.12 | 0.24 | 12.59% |
| Child et al., 2022 | 20.00 | -0.10 | 0.23 | 13.53% |
| Putra & Adnyani, 2021 | 14.00 | -0.03 | 0.25 | 11.65% |
| Zubi & Khalid, 2022 | 19.00 | 0.37 | 0.31 | 7.76% |
| Diabate et al., 2019 | 13.00 | 0.48 | 0.30 | 8.07% |

| | | | | |
|-------------------------------------|-------|-------|------|--------|
| Badr El-Deen & Ali, 2021 | 19.00 | -0.03 | 0.27 | 9.99% |
| Adula et. al. 2022 | 22.00 | -0.15 | 0.26 | 11.12% |
| Schlepphorst et. al., 2020 | 17.00 | 0.03 | 0.26 | 10.98% |
| Kant, 2023 | 18.00 | 0.05 | 0.23 | 14.31% |

Source: Meta Esesntial Output (2023)

Despite the fact that Meta-Essentials produces the statistics that are typically shown in a regression analysis, it is not advisable to place a lot of emphasis on the results because there are very few data points (studies). The researcher should start by interpreting the scatter plot rather than the line that has been drawn through it, as with any regression analysis. For instance, it is evident from the scatter plot in the example in Figure below that there is no discernible relationship between the moderator and the reported effect sizes. The "insignificant" outcome of a regression weight significance test un this instance serves as confirmation of this.

Figure2: Moderation Plot



Source: Meta Esesntial Output (2023)

Output on the Moderator Analysis sheet consists of a scatter plot with a regression line and a table with a number of statistics. Out of 12 studies only 9 studies condiered for mediation. 5 have positive effect and 4 shows the negative.

Table 4: Intercept Analysis

| | B | SE | CI LL | CI UL | β | Z-value | p-value |
|------------------|-------|------|-------|-------|---------|---------|---------|
| Intercept | 0.74 | 0.61 | -0.67 | 2.14 | | 1.21 | 0.227 |
| Moderator | -0.04 | 0.03 | -0.12 | 0.04 | -0.54 | -1.13 | 0.260 |

Source: Meta Esesntial Output (2023)

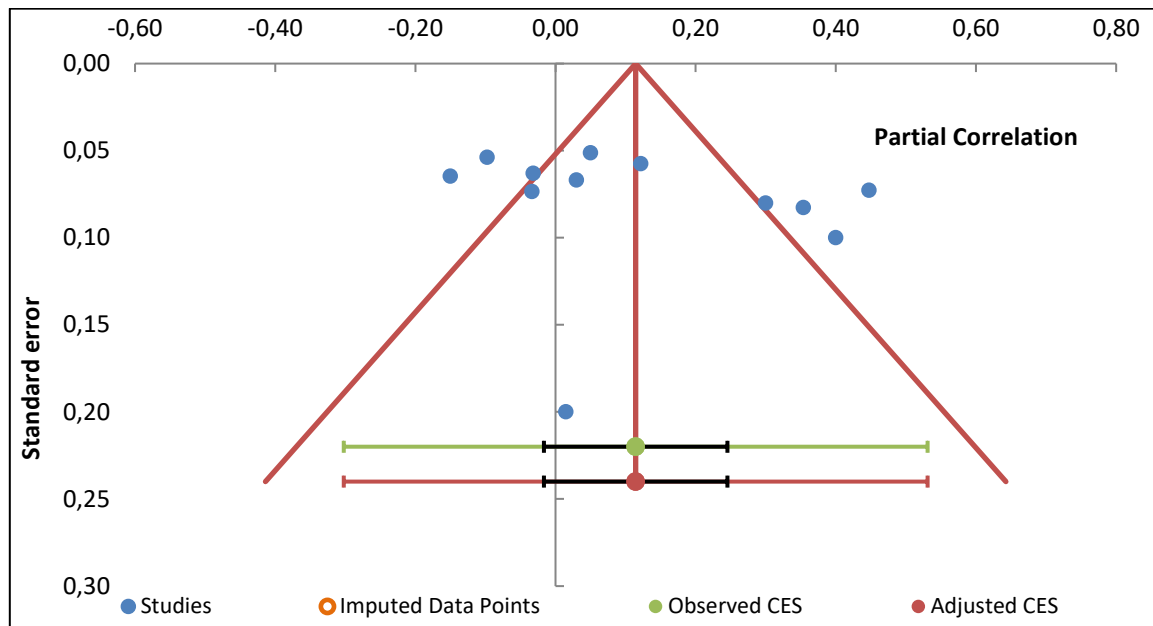
Despite the fact that Meta-Essentials produced the statistics that are typically shown in a regression analysis, it is not advisable to place a lot of emphasis on the results because there are very few data points (with $z=1.21$ and Intercept $B=0.74$). The researcher should start by interpreting the scatter plot rather than the line that has been drawn through it, as with any regression analysis. It showed a high heterogeneity and publication bias.

Publication Bias

In a space defined by effect size (on the x-axis; scale shown on top of the image) and standard error, a funnel plot is a scatter plot of the studies in a meta-analysis (represented by blue dots) (on the y-axis). Also, the total effect size is shown (green dot), together with its confidence interval and prediction interval in black (green). The plot additionally includes a vertical line that connects the (adjusted)

combined effect size and the associated lower and upper boundaries of the confidence interval. This line is likewise displayed in red (red diagonal lines).

Figure 3: Funnel Plot



Source: Meta Esesntial Output (2023)

The relationship between a study's precision and effect size was displayed by the researchers using a funnel plot. It is a scatter plot of sample size (vertical axis) versus treatment effects computed from separate research (vertical axis). Regression analysis was showed asymmetry in the funnel plot, which is a sign of publishing bias.

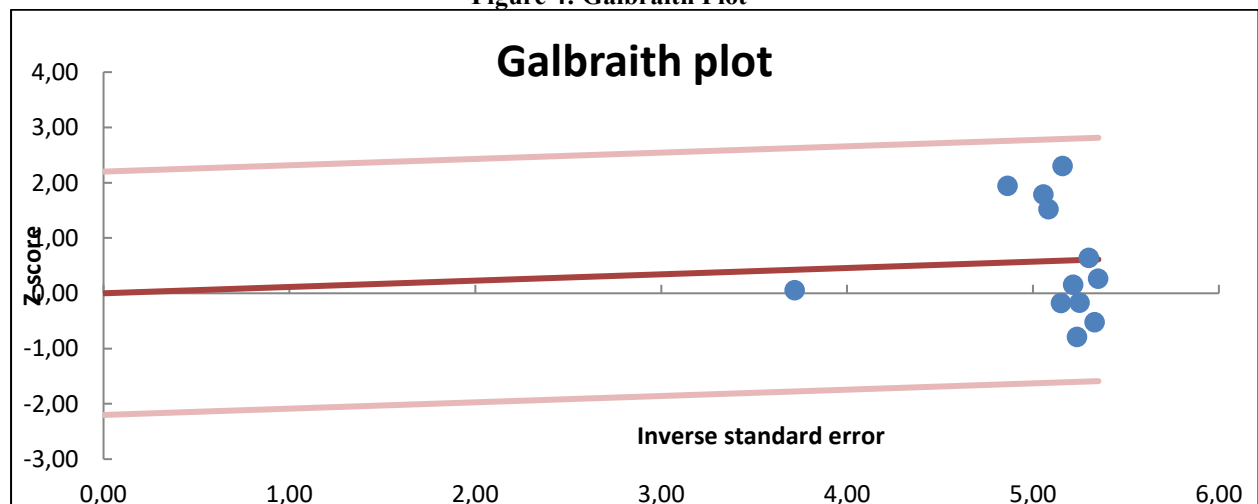
Table 5: Egger Regression

| | Estimate | SE | CI LL | CI UL |
|-----------|----------|-------|-------|-------|
| Intercept | | 1.22 | 3.77 | -7.07 |
| Slope | | -0.13 | 0.74 | -1.76 |
| t test | | | 0.32 | |
| p-value | | | 0.753 | |

Source: Meta Esesntial Output (2023)

With a p-value of 0.753, Egger's test for a regression intercept revealed no indication of publication bias. An indication of publication bias is shown in the funnel plot of Figure 1. A possible publishing bias was indicated by the p-value of 0.091 from Begg and Mazumdar's rank correlation test.

Figure 4: Galbraith Plot



Source: Meta Essesntial Output (2023)

Galbraith plots are a visual way to tell your meta-analysis's it showed that the overall effect size is proper, the precisions of the study-specific effect sizes also under acceptance level, and the no identification of probable outliers. It also analyzed and founded the effect size heterogeneity.

Table 6: Regression Estimate

| | Estimate | SE | CI LL | CI UL |
|-----------|----------|------|-------|------------|
| Intercept | | 0.00 | | |
| Slope | | 0.11 | 0.06 | -0.02 0.25 |

Source: Meta Essesntial Output (2023)**Literature Review****Business Performance**

Business competition of small, medium and large businesses is not distinguished. All three business sizes compete for the same market share. Performance is a common construct to measure the impact of corporate strategy implementation. Various studies indicated that performance measurement becomes both a classic problem and debate because performance is a multidimensional construct both empirical and theoretical (Hakala, 2013). Additionally, studies has developed different measures of business performance, Hadji, Monales and Dickson (2000) measure business performance using increased sales, employee satisfaction, profitability, and increased market growth. According to Kirca et.al (2005), by measuring customer satisfaction, employee satisfaction, sales growth, and profitability. As Lumpkin and Dess (2012) study, business performance is measured from the financial dimension supported by financial investment and sales growth indicators, while the non-financial performance dimension measures customer satisfaction. Indicators developed by Sorensen and Chang (2006): sales volume, revenue, sales growth, revenue growth, and organizational growth. For Lee and Tsang (2013), business performance was measured by three indicators, namely sales growth, profit growth and capital growth. The dimensions of performance measurement used in SMEs studies are growth, profitability, and productivity.

Entrepreneurial Skill

According to Lyons, Lyons, & Jolley, (2019), Entrepreneurial skills comprise three main types, includes, technical skills, managerial skills, and personal skills Farther more, Entrepreneurial skills play an important role in business continuity, as stated by previous research showing that entrepreneurial competencies significantly influence the business performance of a company (Khan et al., 2021). In other words, SME owners or managers who have good entrepreneurial skills also enable their companies to perform well. Entrepreneurship is a multifaceted phenomenon. As a result of this, entrepreneurship is not only the process of obtaining business; the essence of work as an agent of change. In a broad sense, entrepreneurs must equip themselves with learning competencies that support them to assist in managing the business. Companies that support Successor Company are needed by competence and competence (Bird, 1995). This view, because entrepreneurial competence is carried out by individuals as entrepreneurs who start and transform organizations by adding value through the organization of resources and opportunities. So, Entrepreneurial skills are abilities that drive attitude changes to be able to have skills, create their own results, and solve problems, on an ongoing basis. Entrepreneurial skills are an illustration of entrepreneurial competence. Competence in entrepreneurial skills is the key to successfully starting business diversification and sustainable profitability. Several studies have developed indicators of Entrepreneurial skills, Kutzhanova et al (2009) identified four dimensions of Entrepreneurial skills: Technical Skills; Managerial Skills, Entrepreneur Skills and Personal Maturity Skills. Previously in 2007, Smith, Schallenkamp and Eichholz developed 4 skill categories, namely technical skills, managerial skills, entrepreneurial personal skills, and personal maturity skills. Mohammad Salman Shabbir, et al., (2016) developed entrepreneurial skills set as a

determinant of business success consisting of technical skills, managerial skills, leadership skills, entrepreneurial personal skills, and personal maturity skills. In subsequent studies this category is a measure of entrepreneurial skills that must be continuously studied / developed in self-employment in ensuring business continuity.

Entrepreneurial Motivation

Effect of Entrepreneurial Motivation on business performance. According to Lynch et al. (2017), Entrepreneurial motivation is an intention to start a business and arrange the components that constitute the business. Farther more, Entrepreneurial motivation is a complex desire underlain not only by economical factor, such as financial aspiration, but also by non-economical factor such as career choice (Su et al., 2020). As stated by Sánchez & Atienza-Sahuquillo, (2017), Entrepreneurial motivation enables someone to choose a career as entrepreneur. Entrepreneurial motivation differentiates into extrinsic motivation and intrinsic motivation (Lynch et al., 2017). There are four determinants of entrepreneurial motivation, which respectively are: entrepreneurial intention, role-model of entrepreneurship and social value of entrepreneurship, knowledge about entrepreneurship and attitude to become entrepreneur (Alam et al., 2019; Kim-Soon et al., 2020; Idrus et al., 2022).

Strategic leadership

The theory was pioneered by Finkelstein and Hambrick (1996) who advanced the notion that an organization's success as well as values is a result of its leaders' efforts. They argued that top managers' strategic decisions, for example, would have an effect on the organization's success in the long run (Oppong, 2014). Finkelstein and Hambrick (1996) built on the Upper Echelon Theory to investigate how top executives affect strategic decision-making in their organizations. From the perspective of Phipps and Burbach (2010), the most crucial Strategic Leadership Theory principles are the leader's vision, attitude, influence, and communication skills. Yukl (2010) adds to these principles and explains that the theory describes how mutual beliefs and motivation affect competitive strategies, organizational structure, model of management, overall organizational culture, as well as team effectiveness. Additionally, Ireland and Hitt (2016) have identified several actions characterizing strategic leadership which contributes specifically positively to effective business performance. In their view, strategic leaders have a responsibility to determine strategic course, develop core competencies, manage human resources effectively, and maintain an efficient organization culture. Therefore, Strategic Leadership Theory is the most suitable because it addresses the interface between the study's independent and dependent variables. The current study will operationalize strategic leadership effect based on the works of Ireland et al. (2015) as well as Ireland and Hitt (2016).

Research Hypotheses

Hypothesis are predictions (assumptions) of the relationships the researcher expect to find between variables in the data set he/she/collect. (Larsen, 2015) Accordingly, for the current study, the researcher set the following hypothesis:

H1: Entrepreneurial skill has a positive and significant effect on Business performance.

H2: Entrepreneurial motivation has a positive and significant effect on Business performance.

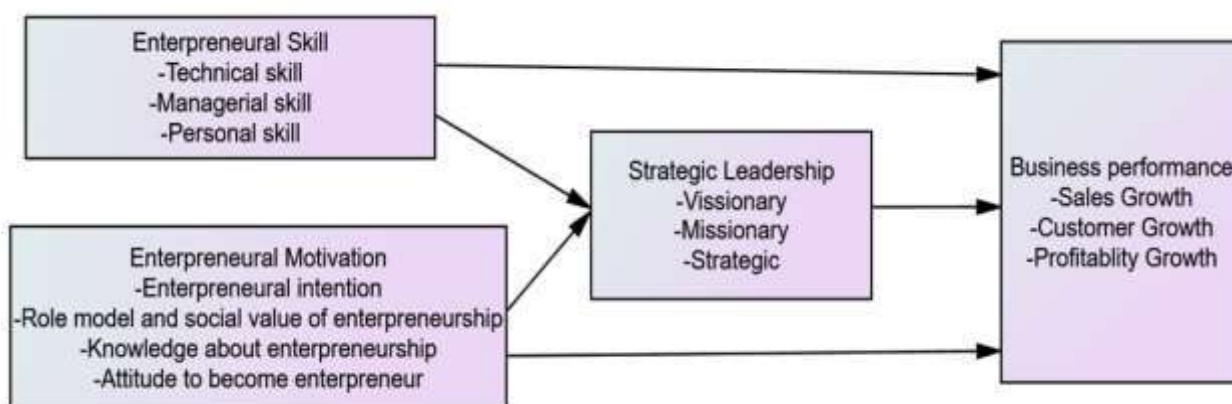
H3: Strategic leadership has a positive and significant effect on Business performance.

H4: Strategic leadership Significantly mediates the relationships between Entrepreneurial skill and Business performance.

H5: Strategic leadership significantly mediates the relationships between Entrepreneurial motivation and Business performance.

H6: Entrepreneurial skill, Entrepreneurial motivation and Strategic leadership has a positive and significant effect on each other and Business performance.

Conceptual Frame work



Source: Reserchers Model Foundation (2034)

Methodology

Sample size and sampling design

The selections of the respondent for this study will random sampling and purposive sampling for SME owners and leaders of both zonal and towns job opportunity creation and skill office and are purposely selected to respond the questionnaires. Since the Zone is so large in size, the researcher will select 5 towns Nagele, Adola, Shakiso, Bore and Haro wachu. A total of 382 respondents will be selected as sample size. Estimating the total population as 2,322 owners and job opportunity creation and skill office leaders in 5 towns. The sample size (382) will be determined by using Yamane (1967) formula for finite (known) population which is

$$1+2,322(0.03)^2=382$$

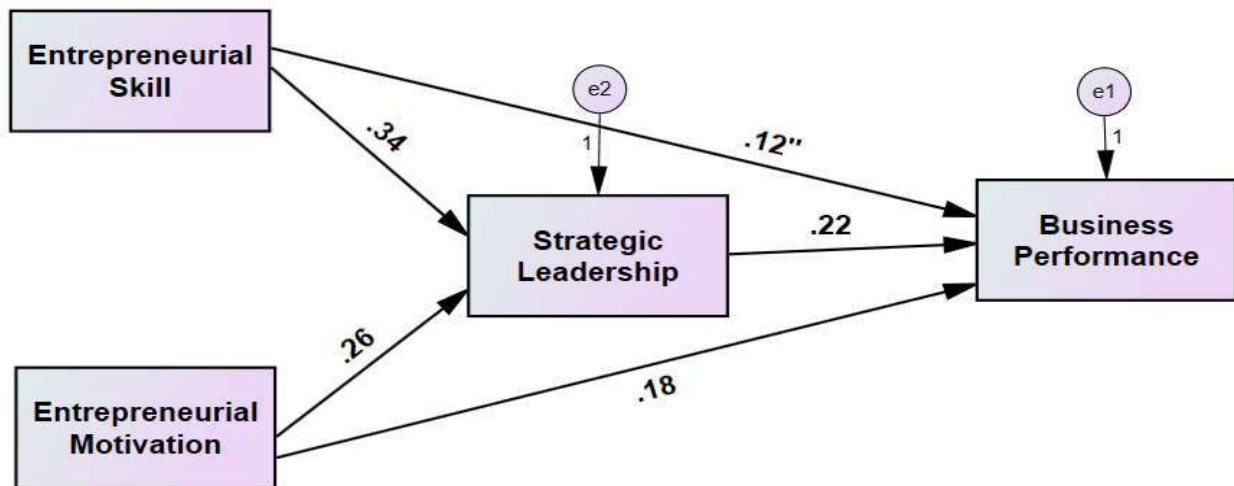
Data Collection Instrument

In this study, the researcher use questionnaire as a data gathering instrument. Because since the research type is quantitative type and the sample size is large, the questionnaire is appropriate to get available data for the study. Each respondent is requested to reply to an identical list of questions mixed so that biasness will be prevented. Initially the questionnaire design will code and mixed up from specific topic based on uniform structures. Consequently, the questionnaire produced valuable data which will requires achieving the study objectives. The questionnaires developed will be based on a five-item Likert scale. Responses will be given to each statement using a five-point Likert-type scale, for which 1 = “strongly disagree” to 5 = “strongly agree.” And the responses will be summed up to produce a score for the measures. This type of data collection procedure is very popular in the case of big surveys. This method is adopted by research workers, private personalities, private and public organizations and even by governments. In this method, a questionnaire is conducted to the individuals concerned with an appeal to respond to the questions and give back the questionnaire. A questionnaire consists of a number of questions printed or typed in a definite order on a form or set of forms. The questionnaire is mailed to respondents who are expected to go through the questions, comprehend them, and provide their response to the questions in the space allotted for that purpose in the questionnaire itself. The participants are required to provide the answers to the questions by themselves. Farther more, a questionnaire is a predetermined set of questions given to a number of respondents. This instrument is good for getting information from many people. Questionnaires are also appropriate for getting information from people that are spread over a wide area and that are not easy to contact face-to-face. A questionnaire should have a short explanation of what your research is about. As with all data collection methods, questionnaires should always adhere to ethical and moral codes of conduct[11].

Data Analysis

Analysis of data will be made in line with three basic stages: Data preparation, tabulation or presentation of statistics and analysis of relationship of variables as nicely as hypothesis testing. As part of data preparation, the data accumulated from the survey has been compiled, sorted for completeness, checked for errors and omissions and coded to have the required quality, accuracy and completeness. The data gathered via the questionnaire will analyzed by Statistical software AMOS. In this study, the descriptive statistics such as percentages and frequency distribution was used to analyze the general profile of the participants.

Result and Discussion



Source: AMOS Output (2023)

Strategic leadership was regarded by SEM as a mediator variable, or mediator, that assisted in explaining how or why an independent variable effects an outcome. It was determined that there was a mediation effect between the research variables; when strategic leadership was included in the regression, the influence of X on Y vanished (or at least diminished). Strategic leadership is how entrepreneurship talent and motivation affect others. Strategic leadership serves as a complete mediator between entrepreneurship talent and motivation and business performance, rendering their impact on performance absolutely insignificant (full mediation).

Conclusion

The research starts with identifying the problem area of the captioned title, framing objectives and hypothesizing the relationship among the variables of the study. The data has collected and result of consistency and reliability observed from the suggested value of Cronbach alpha. The result of the study reveals demographic analysis of the respondents, correlation among the variables. Various assumptions diagnostic tests have been conducted where all the variables have passed the tests and become eligible for conducting multiple regression analysis. The result of regression explains the level of significance of entrepreneurial skill (ES), entrepreneurial motivation (EM) and strategic leadership (SL) has the most significant path in the analysis on business performance of SMEs. Finally, the conclusion confirms that the ES, EM and SL have enormous effect on Business performance of SME sectors.

Limitations of Study

The results of the study could not be generalised in other manufacturing sectors like consumer durable products. Further, the study fails to understand the perceived opinion of the entrepreneurs in absence of conducting qualitative research with the same category of respondents. The researcher has faced challenges during the data collection due to literacy background of the respondents.

1.18. Implication of Study

The outcome of the study is quite relevant to the entrepreneurs of SMEs who will adopt the ES EM and SL to enhance their business performance. Further, the result is relevant to the government who will take handholding of these entrepreneurs in establishing effective enter preneurial skill and entrepreneurial motivation to increase their business performance .The implementation of ES, EM and SL among the SMEs could enhance their revenue generating potential that would accelerate the economic growth of the country.

Suggestion for further research

The study has been done with quantitative approach. However, future researchers can undertake a qualitative approach to understand the perception and opinion of the respondents so that effective ES, EM and SL could be laid out for the benefit of the entrepreneurs of SMEs. There are some mediating and moderating variables like supply chain strategy, which can be taken by the future researchers.

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