Effect of Entrepreneurial Orientation on Profitability of Selected Quoted Consumer Goods Manufacturing Companies in Nigeria

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Abstract:  
Consumer goods manufacturing industry in Nigeria continue to report poor performance in the areas of profitability, market share, sales growth, competitive advantage, and productivity resulting from poor application of entrepreneurial orientation measures. There is need for a study examining the interaction between entrepreneurial orientation and profitability of selected quoted consumer goods manufacturing companies in Nigeria. The study adopted a cross-sectional survey research design. The population of the study was 1,551 of twelve (12) quoted consumer goods manufacturing companies in Nigeria. A total enumeration was used to sample the entire population. A self-developed structured and validated questionnaire was used for data collection. The reliability test yielded Cronbach’s alpha for the constructs ranging from 0.721 to 0.892. The response rate was 90.5%. Data were analyzed using descriptive and inferential statistics (Multiple and Hierarchical regression analysis). Findings revealed that entrepreneurial orientation had significant effects on profitability of selected quoted consumer goods companies in Nigeria (Adj. $R^2$ = 0.708; $F(5,441) = 209.027$, $p= 0.000$). The study concluded that managers of selected quoted consumer goods manufacturing companies should practice entrepreneurial orientation ideologies to ensure a boost on companies’ investments and rejig their working methods, set their own targets and regulate their time without wrong ideology from external forces, thus enhancing profitability of quoted consumer goods companies.

Keywords: Entrepreneurial orientation, Profitability, Consumer goods companies, Nigeria

1. Introduction  
Consumer goods manufacturing industry managers find it challenging and difficult in constantly and continuously achieving targeted business performance indicators like profitability, market share, sales growth, competitive advantage and productivity resulting from global economic activities, unstable economic factors and open market competition challenges that are characterized with the consumer goods manufacturing industry. Deloitte Report (2020) showed that the deterioration in overall performance of consumer goods firms cuts across developed world. In emerging economies like China, Singapore, and Malaysia, Deloitte Report (2020) reported that consumer goods companies like food and beverages companies account for decline in profitability, low market share due to global competition and open market policies in China and Singapore. Like other developing regions, Nigeria consumer goods manufacturing industry has long been associated with substantial gaps in port, road, power infrastructure, poor supply network, high cost of manufacturing processes, input and output; not to mention its notoriously high levels of corruption and bureaucratic restrictions, which increase the cost of distribution and investment, thus cause the rundown of performance indicators such as profitability, market share, sales growth, competitive advantage and productivity in the Nigeria consumer goods manufacturing industry (Manufacturing Association of Nigeria (MAN), 2019).

Ojeleye, Opusunju, and Abdullahi (2020) emphasized that part of the factor hindering growth and continuous performance in Nigeria consumer goods manufacturing industry relates to poor quality and non-availability of inputs in the local market, such as raw materials and equipment as well as limited size of the domestic market for manufactured products. One of the most widely used constructs to assess firm entrepreneurship is entrepreneurial orientation (EO) (Rezaei&Ortt, 2018). A firm is considered to be entrepreneurial if it is innovative, proactive and risk-taking and firm
nowadays especially consumer goods manufacturing companies cannot survive dynamic business environment and unstable economic policies without entrepreneurial orientation measures (Olubiyiet al., 2019). However, Adegbuyi, Oladele, Iyiola, Adegbuyi, Ogunnalke, Ibiodunni and Fadeyi (2018) and Olubiyiet al. (2019) pointed that most of manufacturing companies in Nigeria do not strategically employ entrepreneurial orientation measure in managing challenges of unstable economic policies, thus reduce profitability, market share, sales growth, competitive advantage and productivity. Due to unpredictable economic factors, dynamic business environment and importation competitive landscape surrounding Nigeria consumer goods industry, there exist complexity and uncertainty in achieving performance indicators (Egbunike&Okerekeoti, 2018).

Anchor on this cursory observation and background challenges, this study examined the effect of entrepreneurial orientation and economic policies components (innovativeness, competitive aggressiveness, proactive-ness, risk-taking, planning flexibility) on profitability of quoted selected consumer goods manufacturing companies in Nigeria.

2. Literature Review

2.1. Conceptual Framework

2.1.1. Entrepreneurial Orientation

Etim, Adaku, and Ogar (2017) view entrepreneurial orientation as a set of decision-making styles, processes, practices, rules, and norms according to which a firm makes decisions to enhance its innovativeness, pro-activeness and risk-taking propensity. Omisakin, Nakhid, Littrell, and Verbitsky (2016) also conceptualized entrepreneurial orientation as the willingness of an entrepreneur to innovate, search for risks, take self-directed actions, and be more proactive and aggressive than competitors towards new market place opportunities so as to gain market share. Kong (2012) stated that entrepreneurial orientation has five main characteristics, namely innovativeness, planning flexibility, competitive aggressiveness, proactive-ness, and risk-taking.

Neneh and Van Zyl (2017) stated that advantages of entrepreneurial orientation are; it enhances firm growth, increases entrepreneur innovation, knowledge, competition, and also increases entrepreneur strategies to maneuver competitive pressure. Furthermore, the mainstream literature suggests that entrepreneurial orientation (EO) leads to higher growth among those firms exercising it (Sarker&Palit 2015). Zukilili and Rosli (2013) also reports that EO variable has significant effect on the business growth of Malay entrepreneurs. Generally, most research has established that EO variable is significantly related to the growth of firms (Neneh&Van Zyl, 2017).

A firm is said to enter new entry when it introduces new products, services, technological innovations, markets, or business model innovations that did not exist before (Covin, Wales, & J., 2019).

2.1.2. Innovativeness

Mkalama, Ndemo, and Maalu (2018) defined innovativeness as the generation and implementation of new or improved processes, products/services, production methods aimed at increasing the competitiveness of an enterprise. OECD (2018) defined innovativeness as the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations (OECD, 2018). Innovations are currently a fundamental prerequisite of competitiveness (Bloch & Bhattacharya, 2016; Ariguzo, Abimbola, & Egwalke, 2018). Innovativeness involves the tendency to engage in and support new ideas, novelty, experimentation and creative processes (Mohammad, Armanu, & Achmad, 2013). According to Nafula (2017), innovativeness can be defined as the implementation of a new or significantly improved product, process, a new marketing method, or a new organisational method by the organization. Nafula (2017) stated that innovativeness can be characterized as; product innovation, process innovation, marketing innovation, and organizational innovation.

Namusonge, Muturi, and Olawoye (2016) conceptualized innovativeness as organizational willingness and a tendency to achieve the desired innovation demonstrated in terms of behaviors, strategies, activities and processes. They further view innovativeness as new products/services or changes in service/product lines, developing new Research and Development (R&D) processes, new methods of production, developing new systems/applications or introducing as well as implementing new procedures. Innovation is regarded as a key business process that organizations are using to achieve competitive advantage. Innovations are currently a fundamental prerequisite of competitiveness (Bloch & Bhattacharya, 2016; Ariguzo, Abimbola, & Egwalke, 2018). Innovativeness involves the tendency to engage in and support new ideas, novelty, experimentation and creative processes (Mohammad, Armanu, & Achmad, 2013).

2.1.3. Competitive Aggressiveness

Linyiru and Ketyenya (2017) defined competitive aggressiveness as a strong struggle to overcome the competitors; it is characterized by a combative attitude or aggressive response, which seeks a better positioning in the market or defeat threats. Competitive aggressiveness, which has a relation with the organization’s propensity, intensely and directly challenges its competitors reaching better market position, seeking to overcome competitors (Li, Huang &Tasai 2010). Aigboje (2018) view competitive aggressiveness as firm’s propensity to intensively challenge its competitors to improve its market position and outperform industry rivals in a marketplace. Competitively aggressive firms are those who pay close attention to their competitors’ actions and initiate a series of their own. In other words, they prefer to invest in competitive actions such as product launches, marketing campaigns and price competition more frequently than others. It is characterized as the speed and number of competitive actions taken by a firm in comparison to the firm’s direct rivals (Muhonen, 2017).
trying to elude them. Aggressive moves include price-cutting and high spending outlay on marketing quality, and

2.1.6. Risk Taking

Risk taking was also perceived as tendency towards risky projects (Mario, 2013). Risk-taking connotes a tendency to take courageous steps such as venturing into unknown and new market (Wiklund & Shepherd, 2005). It can also be associated with willingness to commit large amount of resources to a project which the probable cost and chances of failure were high (Keh et al, 2007; Baker & Sinkula, 2009). It is the willingness and readiness to commit resources (own or borrowed) to pursue identified market opportunities that had a reasonable possibility of losses. Risk taking in business environments as it was noted by Adisas et al. (2016) is not about taking extreme or uncontrollable risks but taking moderate and calculated risk. It was one of the three essential elements of entrepreneurial orientation, and one that enhances company profitability (Miller & Le Bruton-Miller, 2011). It is the way and manner which managers were keen to make large and risky resource commitments and act in an uncertain setting (Olaniran, Namusonge & Muturi, 2016; Etebang, 2010).

2.1.5. Planning Flexibility

Planning flexibility implies being capability of multiple responses to an organisation internal and external environment (Fink & Benz, 2019). Jonsson (2007) stated that flexibility means that organisation can 'hire and fire' its employee at will due to weak labour-market regulations. Flexibility can also be seen as the degree which an organisation is adaptable to administrative relations and the authority that are rested in situational expertise (Adonsi, 2003). Kojzek and Ferjan (2015) used functional flexibility, numerical flexibility, external flexibility, and internal flexibility organization flexibility to describe organization flexibility. Goodwin (2012) sees numerical flexibility as the capability of organizations and employers to regulate the number of its employees. Wachsen and Blind (2011) see numerical flexibility as external and internal numerical flexibility. Wachsen and Blind (2011) stated that external flexibility can be regarded as the ability of an organization to modify the number of workers to the activities in the organisation through the use of diverse means of employment. To Wachsen and Blind (2011), internal flexibility described the ability of the organization to regulate its work to its business needs by changing its work time. According to Herzog- Stein and Zapf (2014) internal-numerical flexibility referred to the internal regulation of the number of staff used in an establishment's production process without remedy to the external labour market. This flexibility is achieved through a variety of working-time arrangements (Adonsi, 2003). External-numerical flexibility defined as adjusting an establishment’s use of labour through hiring and firing, temporary employment or fixed-term contracts (Adonsi, 2003).

2.1.4. Proactiveness

The term proactiveness as acting in anticipation of future problems, needs, or changes (LawanShamsu&Fakhrl, 2015). Proactiveness is seen as a kind of opportunism and anticipation that is implemented through introducing new products and services before rivals and acting based on the future expectations (Moghim, 2008). Proactive as acting in advance to deal with an expected difficulty; anticipatory situations (Alinno&Igwe, 2017). Bass (2015) stated that proactivity means anticipatory behaviour which embraces taking control of situations and instigating actions to make changes. Proactiveness was used to depict a firm that was the quickest to innovate and first to introduce new products or services (LawanShamsu&Fakhrl, 2015).

Smith and Cao (2008) argued that proactive firms were in a better position to exploit existing opportunities through environmental scanning to extract information that can be used to meet and satisfy the unserved markets. LawanShamsuand Fakhrl (2015) postulated that for the firm to take a leadership position within the industry there need to have a proactive behavior.
2.1.7. Firm Profitability

Profit has no relevance to compare the efficiency of a business organization. A very high profit does not always indicate sound organizational efficiency and low profitability is not always a sign of organizational sickness (Tulsian, 2014). Therefore, it can be said that profit was not the prime variable on the basis of which the operational efficiency and financial efficiency of an organization can be compared. Tulsian (2014) opined that profitability was composed of two words, namely, profit and ability. The term profit had been explained above and the term ability indicates the power of a business entity to earn profits. The ability of a concern also denotes its earning power or operating performance. Maximization profit is the goal of every business organization. According to Nzewi and Ojiagu (2015), when management of firms makes enough profits the shareholders and other investors are happy and satisfied, and the firm is in a better position to meet the demand of other interest groups. Profitability becomes necessary for cost absorption, reinvestment, attracting further financing, retention of public confidence and motivation of expansion (Anyanwaokoro, 2008).

Profitability indices were the ones that gave the net result of all policies, activities and decision of the company, being the efficiency of a company at generating earnings, that is, —how much they make from what is taken in] (Nzewi, 2004). Gibson (2009) defined the profitability of a firm as the ability of firms to generate earnings. Greuning (2009) sees the profitability as indicator on how a company’s profit margins were associated with sales, average capital and own average capital. It is often expressed with the help of the ratio between this result and sales (or production). Stefea (2012) stated that the profitability is the ability of a lucrative activity to generate revenues higher than expenses involved.

2.1.8. Entrepreneurial Orientation Components and Profitability

There is evidence of several studies that have focused on the relationship between proactiveness and firm growth and profitability. These studies however have been predominantly being focused on the SME sector. According to Hakker and Kemp (2016), found that entrepreneurial orientation positively affects firm profitability. Empirically, firm profitability is often determined by the capacity of the organization’s capability and effectiveness with the organisation-specific resources which include knowledge, capital and labour are organized, acquired and transformed into services and products that can be sold through organisational structures, routines and practices (Okangi, 2019). The literature shows that there have been mixed results in relation to effect of corporate entrepreneurship and firm growth. For instance, Ambad and Wahad (2016) found that corporate entrepreneurship has a significant effect on firm’s profitability but has no significant relationship with firm’s growth. Other studies (Antonicc& Hisrich, 2015; Steffens et al., 2015) found direct influence of corporate entrepreneurship orientation and activities on both profitability and growth.

Ambad and Wahab (2013) and Mule, Mukras, and Nzioka (2015) argue that to ensure survival in the industry, profitability is a key issue for every profit-oriented firm and maximizing it is the goal of the firm. So, to achieve higher profitability, it is imperative for every firm to have its own entrepreneurial orientation strategy that will fit into the current rapidly changing business environment so as to achieve firm profitability (Adesanya et al., 2018). The studies of (Jensen&Nybakk, 2016; Jenssen&Ashheim, 2017; Miller, 2014) found that entrepreneurial orientation has positive and significant effect on firm profitability. Okangi (2019) shown that both innovativeness and risk-taking dimensions have a significantly positive effect on the firm profitability. Mukutu (2017) that found that entrepreneurial orientation positively enhances firm profitability. Simao, Rodrigues, and Madeira (2016) asserted that entrepreneurial orientation practices have positive and significantly improve firm profit performance. According to Frank, Kessler and Fink (2010), the key dimensions that characterize entrepreneurial orientation include a propensity to act autonomously, a willingness to innovate and take risks, and a tendency to be aggressive toward competitors and proactive with regard to business opportunities and increment of firms’ profitability. Covin and Wales (2005) established that entrepreneurship is a key ingredient of organizational success and profitability, and it is empirically proven to lead to higher profit performance. On the other hand, Abubakar (2016), Otache and Mahmood (2015), Olawoye (2016), Oghojafor, Kuye and Sulaimon (2011), Tsado and Gunu (2016) found that entrepreneurial orientation negatively affects firm profitability. On the contrary, Auka and Keraro (2014) study on corporate entrepreneurship components and market share in the retail banking sector. Their study empirically affirmed that there is an insignificant link between entrepreneurial orientation components and profitability. However, scanty studies exist on the effect of entrepreneurial orientation on profitability of consumer goods manufacturing companies in Nigeria.
2.2. Conceptual Framework

![Figure 1 Entrepreneurial Orientation Components and Profitability Source: Researchers' Conceptualization (2021)](image)

2.3. Theoretical Framework

The theoretical perspective of this study is anchored on Resources-Based View (RBV) Theory and Entrepreneurship Innovation Theory. The justification for these theories employed in this study were based on their theoretical explanation on the study variables; The RBV theory pays attention to the role of resources and skills of the firm in determining the boundaries of the firm’s activities, and in forming the foundation of the firm’s long-term strategy. It was also concerned with how these resources and skills constitute the primary source of profits and performance for the firm (Grant, 2001). Entrepreneurship Innovation Theory stated that entrepreneurship was about combining resources in a new way such as introducing new products, new method of production, identifying new source or source(s) of raw materials/inputs and setting a new standard, either in the market or in the industry that alters the equilibrium in the economic system. Since resources constitute both tangible and intangible assets, then both strategic entrepreneurship and firm profitability may also be considered valuable resources or capabilities (Bakar & Ahmad, 2010).

3. Methods

3.1. Research Design

This study adopts cross-sectional survey research design which facilitated the use of a structured research instrument in obtaining data from the respondents for the study. Both top management and functional management staff were employed as population without considering other staff or lower cadre staff since decision makings towards entrepreneurial strategies are carried out by top and functional managers. Therefore, this study employed multi-stage sampling technique since the population of top management and functional Management staff is large. Data were analysed using descriptive and inferential (multiple regression analysis) statistics.

3.2. Population of the Study

The population for this research comprises twelve (12) quoted consumer goods manufacturing companies in Nigeria; Cadbury Nigeria Plc, Dangote Flour mills Plc, Dangote Sugar Refinery Plc, Flour Mill of Nigeria Plc, Guiness Nigeria Plc, Honeywell Flour mill Plc, Nestle Nigeria Plc, Nigerian Breweries Plc, PZ Cusson Nigeria Plc, 7-UP Bottling Company Plc, Unilever Nigeria Plc and Vitafoam Plc. These consumer goods manufacturing companies are selected quoted on the Nigerian Stock Exchange (NSE) as at year 2020. The sample size for this study was determined by applying the Cochran (1997) formula: The sample of 494 was increased by 130, or 30% of the total sample which equal 563. This is as recommended by Zikmund (2000).

3.3. Validity and Reliability of Research Instrument

A pilot study was conducted to pre-test the questionnaire on 56 consumer goods manufacturing companies’ staff (10% of the sample size) which was randomly selected from the sample across other consumer goods manufacturing companies that were not part of consumer goods manufacturing companies used in this study. The consumer goods manufacturing companies were Multi-Trex Integrated Foods Plc, Nascon Allied Industries Plc, Nigerian Enameware Plc, Union Dicon Salt Plc, and Champion Brew Plc and also eleven (11) questionnaires were distributed to each of the selected companies for pilot study. The total number of copies of the questionnaire retrieved from the sample was fifty-two (52). The responses were analyzed in order to determine the reliability of the research instrument. The result of the pilot study
indicated that the research instrument was reliable, since the Cronbach’s alpha of the scale for all the variables was greater than 0.70

3.4. Model Specification

\[ Y_i = \beta_0 + \beta_1 x_{1a} + \beta_2 x_{1b} + \beta_3 x_{1c} + \beta_4 x_{1d} + \beta_5 x_{1e} + \varepsilon_i \]

\[ PR = \beta_0 + \beta_1 IN + \beta_2 CAG + \beta_3 PROA + \beta_4 RT + \beta_5 PF + \varepsilon_i \]

Where \( Y_i \) = Profitability (PR)

\( X_1 = \) Entrepreneurial Orientation (EO)

\( X_1 = (x_{1a}, x_{1b}, x_{1c}, x_{1d}, x_{1e}) \)

And Where:

\( x_{1a} = \) Innovativeness (IN)

\( x_{1b} = \) Competitive Aggressiveness (CAG)

\( x_{1c} = \) Proactiveness (PROA)

\( x_{1d} = \) Risk-Taking (RT)

\( x_{1e} = \) Planning Flexibility (PF)

\( \beta_0 = \) constant of the equation or constant term

\( \beta_1-\beta_5 = \) Parameters to be estimated

\( \varepsilon_i = \) error or stochastic term

4. Results and Interpretation

4.1. Entrepreneurial Orientation Components Have No Significant Influence on Profitability of Selected Quoted Consumer Goods Companies in Nigeria

To test the hypothesis, multiple regression analysis was used. The independent variable were entrepreneurial orientation components (innovativeness, competitive aggressiveness, proactiveness, risk-taking and planning flexibility) while the dependent variable was profitability. In the analysis, data for entrepreneurial orientation components were created by adding together responses of all the items under the various components to generate independent scores for each component. For profitability, responses of all the items were added together to create index of profitability. The index of profitability (as dependent variable) is thereafter regress on scores (index) of entrepreneurial orientation components (as independent variables). The results of the analysis and parameter estimates obtained are presented in Table 1

| Model                        | B      | T      | Sig    | F(5,441) | R²    | Adj. R² | F(Sig) |
|------------------------------|--------|--------|--------|----------|-------|---------|--------|
| (Constant)                   | 3.574  | 3.464  | .001   | 209.027  | 0.712 | 0.708   | 0.000  |
| Innovativeness               | .290  | 3.458  | .001   |          |       |         |        |
| Competitive Aggressiveness   | .172  | 2.294  | .022   |          |       |         |        |
| Proactiveness                | .426  | 4.523  | .000   |          |       |         |        |
| Risk Taking                  | .121  | 1.448  | .148   |          |       |         |        |
| Planning Flexibility         | .164  | 2.269  | .024   |          |       |         |        |

Table 1: Summary Results of Multiple Regression Analysis of Profitability on Entrepreneurial Orientation Components of the Selected Quoted Consumer Goods Companies in Nigeria

A. Dependent Variable: Profitability

b. Predictors: (Constant), Innovativeness, Competitive Aggressiveness, Proactiveness, Risk Taking, Planning Flexibility.

Source: Researcher’s Field Survey, 2021

Table 1 provided multiple regression results for the effect of entrepreneurial orientation components (innovativeness, competitive aggressiveness, proactiveness, risk-taking and planning flexibility) on profitability of the selected quoted consumer goods companies in Nigeria. The results revealed that innovativeness (\( \beta = 0.290, t = 3.458, p = 0.001 \)), competitive aggressiveness (\( \beta = 0.172, t = 2.294, p = 0.022 \)), proactiveness (\( \beta = 0.426, t = 4.523, p = 0.000 \)) and planning flexibility (\( \beta = 0.164, t = 2.269, p = 0.024 \)) have positive and significant effects on profitability of the selected quoted consumer goods companies in Nigeria. However, risk taking (\( \beta = 0.121, t = 1.448, p = 0.148 \)) have a positive but insignificant effect on profitability of selected quoted consumer goods companies. The implication is that innovativeness, competitive aggressiveness, proactiveness and planning flexibility are significant predictor of profitability of selected quoted consumer goods companies in the study area.

The results of the multiple regression analysis further revealed that entrepreneurial orientation components (innovativeness, competitive aggressiveness, proactiveness, risk-taking and planning flexibility) explained 70.8% of the variation in profitability of the selected quoted consumer goods companies (Adj. \( R^2 = 0.708 \)). However, the model did not explain 29.2% of the variation in profitability of the selected quoted consumer goods companies in Nigeria, implying that there are other factors associated with profitability of the selected quoted consumer goods companies that were not captured in the model. This concurs with Graham and Coffman (2012) that \( R\)-squared is always between 0 and 100%; 0% indicates that the model explains none of the variability of the response data around its mean and 100% indicates that the model explains the variability of the response data around its mean. In general, the higher the \( R\)-squared, the better the fit of the model.
model fits the data. The adjusted R square was slightly lower than the R-square which implied that the regression model may be over fitted by including too many independent variables.

Also, the results of Analysis of Variance (ANOVA) for regression coefficients used to test the overall significance of regression model has the value of 209.027 with (5,441) degrees of freedom and p-value of 0.000 which was less than 0.05 ($F_{(5,441)} = 209.027, p=0.000$). This implies that the overall model was significant in predicting the profitability of the selected quoted consumer goods companies in Nigeria. It showed that profitability is affected by entrepreneurial orientation components (innovativeness, competitive aggressiveness, proactiveness, risk taking and planning flexibility) and the F value standing at 209.027. The result shows that at least one of the entrepreneurial orientation components has a significant effect on the profitability of the selected quoted consumer goods companies in Nigeria. In coming up with the final regression model to predict profitability of the selected quoted consumer goods companies in Nigeria, the entrepreneurial orientation components are statistically significant and were retained in the model. The multiple regression model from the results is thus expressed as:

$$\text{PRO} = 3.574 + 0.290\text{IN} + 0.172\text{CA} + 0.426\text{PR} + 0.164\text{PF}$$

Where:

- PRO = Profitability
- IN = Innovativeness
- CA = Competitive Aggressiveness
- PR = Proactiveness
- PF = Planning Flexibility

From the above regression equation above, it was revealed that holding entrepreneurial orientation components (innovativeness, competitive aggressiveness, proactiveness and planning flexibility) constant (at zero), profitability of the selected quoted consumer goods companies in Nigeria will be 3.574. This implies that if innovativeness, competitive aggressiveness, proactiveness and planning flexibility take on the values of zero (do not exist), there would be 3.574 times level of repetition of the profitability of the selected quoted consumer goods companies in Nigeria. The model shows that a unit change in innovativeness, competitive aggressiveness, proactiveness and planning flexibility respectively will lead to 0.290, 0.172, 0.426 and 0.164 unit changes in profitability of the selected quoted consumer goods companies in Nigeria. The results revealed that proactiveness ($B = 0.426, t = 4.523, p = 0.000<0.05$) was the most significant predictor (among entrepreneurial orientation components) on profitability of the selected quoted consumer goods companies in Nigeria while innovativeness was the next most significant predictor of profitability of the selected quoted consumer goods companies in Nigeria. Since most of the regression coefficients were significant at 5% significance level as indicated in Table 1, the null hypothesis was rejected. Therefore, the null hypothesis which states that Entrepreneurial orientation components have no significant influence on profitability of selected quoted consumer goods companies in Nigeria is hereby rejected.

5. Discussion of Findings

The results of linear multiple regression analysis for the effect of entrepreneurial orientation components on profitability of selected quoted consumer goods companies in Nigeria reveal the presence of a significant effect. This result implies that entrepreneurial orientation components significantly influenced profitability of selected quoted consumer goods companies in Nigeria

Conceptually, scholars have reported the effects of entrepreneurial orientation components on profitability. There is evidence of several studies that have focused on the relationship between proactiveness and firm growth and profitability. These studies however, have been predominantly been focused on the SME sector. According to Hakkert and Kemp (2016), found that entrepreneurial orientation positively affects firm profitability. Empirically, firm profitability is often determined by the capacity of the organization’s capability and effectiveness with the organisation-specific resources which include knowledge, capital and labour are organized, acquired and transformed into services and products that can be sold through organisational structures, routines and practices (Okangi, 2019). The literature shows that there have been mixed results in relation to effect of corporate entrepreneurship and firm growth. For instance, Ambad and Wahab (2016) found that corporate entrepreneurship has a significant effect on firm’s profitability but has no significant relationship with firm’s growth. Other studies (Antoncic & Hisrich, 2015; Steffens et al., 2015) found direct influence of corporate entrepreneurship orientation and activities on both profitability and growth. Ambad and Wahab (2013) and Mule, Mukras, and Nzioka (2015) argue that to ensure survival in the industry, profitability is a key issue for every profit-oriented firm and maximizing it is the goal of the firm. Thus, to achieve higher profitability, it is imperative for every firm to have its own entrepreneurial orientation strategy that will fit into the current rapidly changing business environment so as to achieve firm profitability (Adesanya et al., 2018). The studies of (Jensen & Nybak, 2016; Jensen & Asheim, 2017; Miller, 2014) found that entrepreneurial orientation has positive and significant effect on firm profitability. Okangi (2019) shown that both innovativeness and risk-taking dimensions have a significantly positive effect on the firm profitability. On the contrary, Auka and Keraro (2014) study on corporate entrepreneurship components and market share in the retail banking sector. Their study empirically affirmed that there is an insignificant link between entrepreneurial orientation components and profitability. However, scanty studies exist on the effect of entrepreneurial orientation on profitability of consumer goods manufacturing companies in Nigeria. Hence, in line with revelations found in conceptual, empirical and theoretical submissions in previous literature with this present study’s result, entrepreneurial orientation components significantly influenced the profitability of selected consumer goods companies.
6. Conclusions
Considering the finding of the study, managers of consumer goods companies should embrace entrepreneurial innovation and proactiveness drive within their financial ability and also fully employed entrepreneurial orientation mechanism which in turn will increase profitability of selected quoted consumer goods companies in Nigeria.

7. Recommendations
Based on the finding of the study that entrepreneurial orientation components have influence on market share of selected quoted consumer goods companies in Nigeria, the study therefore recommended that entrepreneurs managers in the consumer goods manufacturing sector should practice entrepreneurial orientation ideology in terms of which will give room to the managers to make decisions on their working methods, set their own targets and regulate their time without wrong ideology from external forces thus enhance market share of quoted consumer goods companies in Nigeria.

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