



## Effect of Entrepreneurial Orientation on Human Capital Dimensions and SMEs Performance in North-Central, Nigeria

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### Abstract

*The necessity for this study arises from the frequent failure of packaged water SMEs, primarily due to their lack of adequate human capital dimensions to drive packaged water business to success. Producers of packaged water often attempted to cut costs by neglecting employee training and development, resulting in a decline in packaged water employee capabilities, skills, knowledge, competency, productivity and efficiency. The paper investigates the mediating effect of entrepreneurial orientation on human capital dimensions and SMEs performance in North-Central Nigeria. A quantitative research approach was employed for the study, population of the study is 844 employees. A primary source of data collection utilized and collected data were analyzed using inferential statistics. Statistically, the study established entrepreneurial work experience as the most significant element of performance. Also, entrepreneurial training had a positive and significant effect on packaged water SMEs performance while entrepreneurial education was statistically not significant in the study and mediating variable did not have any significant influence on the study. The study was grounded in the theoretical lens of Human Capital Theory (HCT). And the findings of the study provide knowledge enhancement on how packaged water entrepreneurs and practitioners can run packaged water businesses successfully. The study concluded that firms must not wholly adopt all dimensions of HC to have a competitive edge but dimensions that is unique to their business. Thus, the study recommended that packaged water SMEs should concentrate on entrepreneurial work experience and entrepreneurial training which seems to lead to higher SMEs performance.*

**Keywords:** Human Capital, Human Capital Theory, SMEs performance, Entrepreneurial Orientation (EO).

### 1. Introduction

Small and Medium Enterprises are legally established businesses primarily focused on fulfilling financial needs, creating job opportunities, alleviating poverty, and harnessing local resources to produce goods and services. According to Ali-Qalati *et al.* (2021) SMEs have emerged as a vibrant and dynamic sector within the global economy. In developing and newly industrialized nations, SMEs are recognized as the primary employers, offering substantial income-generating prospects (Ayoko, 2021).

Globally, it is established that over 90% of firms are classified under SMEs and they provide employment to about 80% of employment and they account for nearly 40% to 50% of the GDP in developed and developing countries (Ali Qalati *et al.*, 2021). SMEs are importance for strengthening domestic economies, encouraging innovations, and creating new job places (Perera and Samarakoon, 2021). SMEs account for 99% of businesses in European Union (EU), and were providing approximately 85% of new employment opportunities in the EU (Gherghina *et al.*, 2020).

In Africa, SMEs were the biggest employer of labor and supporting structure to most of the economies in the continent (Ojokuku *et al.*, 2014). For instance, SMEs formed about 93% of total private firms in the Moroccan-GDP and about 92% in the Ghana-GDP. SMEs alone account for approximately 92% of registered businesses that exist in South Africa and provides approximately 61% of employment in the country (Osmond and Paul, 2016). According to research in Nigeria, SMEs accounted for 54% of the GDP and provided employment for 25% of the Nigerian populace (SMEDAN, 2017), but SMEs are yet to fully transform the Nigerian economy. Nura *et al.* (2019) stated that low levels of employment and contribution to the GDP also pointed to the fact that there is a need for enhancement of SMEs performance in Nigeria. Some of challenges that SMEs in Nigeria experienced included lack of technology, lack of tax reliefs, restricted market, inadequate financial services, policy instabilities, inadequate infrastructure and compromised access to credit (Duru *et al.*, 2018). Distilled to its fundamental essence, human capital (herein HC) is key driver of the performance of any SMEs, whether micro, small, medium or large, located anywhere in the world (Ali, 2020). HC has also been recognized as one of the critical sources of organizational capital and indeed is a critical source of any organization's competitive advantage as well as sustainability (Sampson *et al.*, 2016).

The regular failure of packaged water SMEs, mostly as a result of inadequate HC to propel packaged water businesses to success, is what made this study necessary. In an effort to save money, packaged water producers frequently neglected staff training and development, which led to a reduction in the competencies, productivity, and efficiency of packaged water employees (Jambadu *et al.*, 2022). African nations, particularly Nigeria, have made little to no attempt to integrate HC initiatives into their corporate or organizational plans, despite the relative relevance of HC to company performance and economic growth. It has not been investigated how entrepreneurial work experience, entrepreneurial education, or entrepreneurial training affect packaged water SMEs in Nigeria, especially when it comes to North-Central Nigeria. In order to completely achieve the nation's developmental goals, packaged water SMEs in Nigeria needed more attention. The failure of packaged water SMEs has been attributed by academics to a number of reasons, such as lack of funding, poor infrastructure, unfriendly government policies, a lack of assistance from business development agencies, an unfavorable business environment, restricted market access, and high taxes. In light of this, this study examined the dimensions of HC as a significant barrier to the success of packaged water SMEs in North-Central Nigeria.

To accomplish objective of this study, the study outlined the following specific objectives to:

- i. Ascertain the effect of entrepreneurial training on packaged water SMEs performance in North-Central, Nigeria.
- ii. Examine the effect of entrepreneurial education on packaged water SMEs performance in North-Central, Nigeria.
- iii. Analyze the effect of entrepreneurial work experience on packaged water SMEs performance in North-Central, Nigeria.
- iv. Determine the mediating effect of entrepreneurial orientation on HCD and SMEs performance in North-Central, Nigeria.

## **2. Literature Review**

### **2.1 Conceptual Literature**

#### **2.1.1 Human Capital Development (HCD)**

Human capital can be described as an investment in individuals, encompassing knowledge, education, training, skills, attitudes, experiences, and other competencies. This investment aims to enhance service delivery through training, education, skill development, and other professional endeavours (Atiku *et al.*, 2020; Qamariah and Muchtar 2019). Cross (2019) asserts that the fundamental intellectual assets that propel company success are HC. Since employees are considered the organization's most significant asset, their performance directly affects how efficiently and effectively the organization operates (Sampson *et al.*, 2016). Keji (2021) proposed, in a similar vein, that employee productivity can be measured by means of HC, which includes health, education, and training. In organizations, HC is essential, especially when it comes to enabling ongoing advancements in knowledge, education, experience, and skill development (Sampson *et al.*, 2016). According to Muralis (2018), HC is the sum of a person's skills, knowledge, morals, personality, and inventiveness that enable them to work and provide value for others. Finding the best workable strategy to achieve HCD is a problem that the African continent is currently facing (Olusadum, 2020). The term "human capital" refers to all the processes that have led to a higher degree of knowledge and the growth of competitive entrepreneurs who may succeed in commercial ventures (Farid *et al.*, 2020; Emmaculate *et al.*, 2019; Othman *et al.*, 2016; Ojokuku and Sajuyigbe, 2015). A crucial resource for guaranteeing the survival and development of SMEs is investing in HC (Emmaculate *et al.*, 2019). based on the observations of Sidharth *et al.* (2016), workers are the essential component of any organization and they play a major role in the expansion and prosperity of the organization. According to Rabiou *et al.* (2014), maintaining employee productivity is crucial for maintaining a competitive advantage. All an organization's assets aside from its people are passive resources that need human interaction in order to produce value. Al-Sharafat (2017) emphasized that one of the main reasons new small and medium-sized businesses fail is a lack of HCD. HC was defined by Ferreira and Franco (2019) as knowledge that is generated and retained by a company's workforce, while Daniel *et al.* (2019) also defined HC as the competency, knowledge, abilities, and experience that people bring into an organization in order to preserve competitive advantage.

According to Bader *et al.* (2016), investing continually in HC is crucial for organizations looking to strengthen their competitive advantage. According to Al-Sharafat (2017), businesses, especially SMEs, need to improve their HC in order to survive. HCD, according to Okafor *et al.* (2019), is essential for raising employee performance and

capacities. As opposed to industrialized nations, innovation in the SMEs business sector is more important in developing nations such as Nigeria (Perera and Samarakoon, 2021; Samad 2020). According to Schultz (1993), referenced by Marimuthu and Ismail (2009), "human capital" is the essential component of an organization's asset and its workforce, helping to boost productivity and maintain a competitive advantage. HC becomes a productivity-boosting instrument in the context of organizational competitiveness. HC includes procedures for entrepreneurial education and training as well as other professional activities that is meant to improve employee's competencies, knowledge, skills, abilities, values, and social capital. In the end, these variables affected worker performance and satisfaction, which in turn affected business performance.

### **2.1.2 SMEs Performance**

The term "performance" in regards to SMEs research study, it is referred to as the amount of work completed by an employee in carrying out their responsibilities (duties) in accordance with the authority granted to them (Muhtadi *et al.*, 2021). Muralis (2018) noted that performance is a difficult term because it is both continuous and relative, depending on the goals and factors taken into account. The performance of SMEs was therefore interpreted differently by researchers. Similarly, Cicea *et al.* (2019) acknowledged that the performance of SMEs can be quantitatively examined; performance can be quantified in terms of, among other things, efficiency, profitability, financial performance, production rate, customer base, market share, profitability, productivity, fluctuation in revenue, cost, and liquidity. However, it could also be assessed subjectively, taking into account the achievement of goals and objectives, the use of authority, workforce productivity, customer happiness, the development of products and processes, organizational and marketing growth, and other factors (Cicea *et al.*, 2019).

Additionally, Nura *et al.* (2019) made it clear that a firm's performance as a SMEs was determined by how well it accomplished its stated goals. Yudha (2019) believed that when business actors demonstrated an entrepreneurial perspective, the performance of SMEs may improve. According to Hoque *et al.* (2018), EO is a strategic asset that has been shown to predict the performance of SMEs. It is a deliberate approach by which SMEs engage with opportunities in their surroundings. Olufemi (2018) said that the success and expansion of SMEs are considered to be important factors in the industrialization, modernization, urbanization, creation of jobs, income distribution, welfare, per capita income, and general well-being of the populace.

### **2.1.3 Entrepreneurial Orientation Impacts on SMEs Performance**

Entrepreneurship is starting a new business with the goal of changing consumer demand for a product in order to raise people's standards of living while also generating financial gain (Adeyeye, 2018). Another school of thought holds that entrepreneurship is a continuum towards wealth creation in the form of goods and services, or the ability to create new value through the investment of time, energy, and risk-taking on the part of entrepreneurs who offer a variety of goods and services (Adrian *et al.*, 2017). Conversely, EO is described as the tactical tool used by business owners to find and seize market possibilities. In order to encourage the utilization of both new and current information in order to seize market possibilities (Perera and Samarakoon, 2021) .Kiyabo and Isaga,

(2020) expressed a similar opinion, stating that "processes, practices, and decision-making activities that lead to new entry" are what they mean by EO. When applied to SMEs as an entrepreneurial plan and integrated into their strategic management, EO is an entrepreneurial approach that has the potential to significantly expand their business (Idrus *et al.*, 2020).

Furthermore, Fadda (2018) stated in his submission that the EO architecture has five dimensions: They are: innovativeness, proactiveness, risk-taking, autonomy, and competitive aggressiveness. EO ensures that the company is in a more advantageous position than its competitors (Modak and Singh, 2016; Hoque *et al.*, 2018). According to Sutapa *et al.* (2017), a company's competitive advantage reveals that it operates more suitably than its competitors in the industry. According to Kosa *et al.* (2018), small company organizations can discover new business prospects by exhibiting an EO. According to Zaato *et al.* (2022), entrepreneurship is characterized by the ability to seek opportunities through "pro-activity," "risk-taking capability," "innovativeness," and "competitive advantage." This often involves working independently or autonomously to launch new and innovative products and services with the goal of outperforming their competitors.

#### **2.1.4 Mediating Effect of Entrepreneurial Orientation**

To assess the level and direction of how independent variable's influences dependent variable, EO was used as a mediating variable. A mediator is something that affects the dependent variable and is caused by the independent variable. If SMEs lack the necessary EO, HCD makes it possible to execute EO activities. Both at the individual and business levels, EO can be assessed (Hernandez *et al.*, 2020). However, this study took the business level of EO into account. According to Manaf *et al.* (2021), EO is also a crucial factor that should be taken into account at the business level and it is one of the main factors affecting the performances of SMEs. Previous research has shown and indicated that EO mediated the relationship between HC and the performances of SMEs (Kiyabo and Isaga, 2020; Yudha, 2019; Kosa *et al.*, 2018; Hoque *et al.*, 2018). The research conducted by Zaato *et al.* (2020) confirmed that an entrepreneurial mindset has a positive mediating effect on HC and performance of SMEs, enabling them to outperform their rivals. EO has a substantial impact on SMEs' performance, and research indicates that if business actors have an EO, SMEs' performance can be improved.

### **2.2 Theoretical Review**

#### **2.2.1 Human Capital Theory**

Schultz (1993) pointed out that human capital theory (herein HCT) originated inside field of macroeconomic development theory because Beckers' (1993) seminal work, "Human Capital: A Theoretical and Empirical Analysis with Special Reference to Education," served as a prime example within this domain. According to Becker, capital can take many different forms. These include computer training, education, health care costs, and even lessons on values like integrity and timeliness. In conclusion, these elements enhance lifetime literary appreciation, increase incomes, or enhance health. Therefore, it is entirely consistent with the traditional idea of capital, as described in Marimuthu and Ismail (2009), to argue that investments in training, education, healthcare, and other areas are not merely expenses but rather valuable ventures with measurable returns. According to Schultz (1961) and Becker (2009), personnel with better basic skills, knowledge, and attitudes would produce more than those with lower skill levels,

knowledge, and attitudes. As per the HCT, employees can enhance their knowledge, skills, and competences by receiving training and senior mentorship, because they will be exposed to critical knowledge, attitudes, and skills that lead to improved performance, this will boost their productivity. Marimuthu and Ismail (2009) used HCT, which emphasized the value of building HC via education and training as an investment in competencies and abilities. The HC hypothesis has had a substantial impact on a wide range of academic disciplines, including economics, sociology, and education. This method focused on the information, abilities, and skills that employees of organizations contributed to enhance opportunities and output. The study demonstrates a high association between HC and the skills and capabilities of an organization's human resources, which are acquired from education, training, and work experience, in order to support attainment of organizational goals (Zeqir and Ymer, 2019). According to Daniel *et al.* (2019), the core tenet of HCT is that individuals add value to organizations. HC is now considered to be important asset for SMEs business. Building on the findings of earlier research, this study emphasized the applicability and relevance of HCT as a strategy for businesses to obtain competitive edge across various SMEs businesses (Anosa, 2021; Farid *et al.*, 2020; Daniel *et al.*, 2019; Emmaculate *et al.*, 2019). Considering the importance, scarcity, distinctiveness, and non-replaceability of HC, businesses that want to gain a competitive edge need to give it top priority. As a result, the concept of HC may help small and medium-sized businesses function better. According to the principle, active performance sets entrepreneurs apart from others. One cognitive construct that is crucial to active performance traits is EO. According to Ali (2020), proactive habits, planning, and a dynamic social strategy all contributed to performance of SMEs businesses.

### **2.3 Empirical Review**

This section explored previous literatures that empirically examined the relationship between HCD and its effect on SMEs performance. Scholars have identified the relationship between HCD and performance of SMEs and to what extent has HCD influenced SMEs business success and performance? Some of the reviewed work included the followings;

Simic *et al.* (2020) examined the connections between HC and SMEs performance, introduced the concept of entrepreneurial leadership as a mediating factor within the specific context of a transitional economy. The study involved a sample of 110 employees who were surveyed using a questionnaire to gauge their attitudes toward HC, entrepreneurial leadership, organizational performance, and socio-demographic factors. The study employed various statistical data processing techniques, including descriptive statistics, reliability analysis, and regression analysis. The study findings suggested that human capital indirectly influences SMEs performance by way of its impact on entrepreneurial leadership. In contrast, this study was conducted in the North-Central zone of Nigeria and introduced entrepreneurial orientation as a mediating variable, which differs from the previous study that employed entrepreneurial leadership as the mediating factor.

Xuan *et al.* (2020) identified factors affecting SMEs performance in Vietnam, including government support policies, education level, enterprise scale, society relationships, and revenue growth rate. The study, based on 456 SMEs, used descriptive statistical methods and multivariate linear regression analysis. The results showed that these factors

influenced SMEs performance in various ways. In contrast, this study was carried out in the North-Central zone of Nigeria with sample frame of 2360 and sample size of 844 and concentrated on training, education and work experience as factors influencing the business performance of SMEs.

Cross (2019) investigated the impact of human capital development on the performance of small and medium-sized enterprises (SMEs). The study initially had a population size of 152, from which a sample of 110 was selected using the Taro Yamane formula. Data were collected through a questionnaire, and a descriptive research design was employed. The study outcomes indicated a significant direct correlation between human capital development and SMEs performance. It was suggested that SMEs owners and managers should prioritize the proper identification, assessment, and determination of human capital needs within their organizations. The study was carried out with 152 SMEs as population of the study. Additionally, only two hypotheses were formulated for the study. In contrast, this study was conducted in the North-Central zone of Nigeria, focused on registered packaged water SMEs. The total population of registered packaged water SMEs in the region was found to be 2,360, forming the sample frame from which the study sample size of 844 was drawn. Every registered packaged water SMEs in the zone was given an equal chance of being selected to be part of the study sample. For this study, five hypotheses were formulated.

Adebayo *et al.* (2019) conducted a study to assess the influence of human capital development on the performance of small and medium-sized enterprises (SMEs) in South West, Nigeria. The data collection involved the distribution of questionnaire to a total of 393 respondents, with a sample size of 302 individuals. The study findings revealed a significant association between human capital and the profitability of SMEs, demonstrating a robust and positive impact on SMEs performance. In summary, the study suggested that SMEs owners and operators can enhance their firm's profitability and increase sales revenue by investing in and developing their human capital. In contrast, this study was carried out in the North-Central zone of Nigeria, focused on registered packaged water SMEs. The total population of these SMEs in the region amounted to 2,360, serving as the sample frame from which the study sample size of 844 was drawn. The sample size was determined by providing each registered packaged water SMEs in the zone with an equal opportunity to be selected as part of the study sample.

To sum up, the studies mentioned above collectively emphasized the considerable importance of human capital development to SMEs performance. Human capital development was identified as a crucial factor contributing to the success of SMEs business organizations. A reviewed of various studies also consistently showed a positive relationship between human capital development dimensions and performance of SMEs (Farid *et al.*, 2020; Simic *et al.*, 2020; Adebayo *et al.*, 2019; Emmaculate *et al.*, 2019; Ojokuku and Sajuyigbe, 2015).

### 3. Methodology

This study adopted a quantitative research design with cross sectional survey design for data collection because data collection was once and within a short period due to time limitations. Cross-sectional survey design was employed because of its usefulness in describing the characteristics of a large population. The population comprised of all the registered packaged water SMEs in the North-Central zone of Nigeria with a total

population of four thousand four hundred and forty-seven factories (4447) from where the sample frame of two thousand three hundred sixty was drawn (2360) and sample size of eight hundred and forty-four (844) for this study was drawn to form the targeted population. The sample size for this study was determined using the Yamane Taro (1967) formula. For method of data analysis, questionnaire data was coded in a Microsoft Excel spreadsheet before being imported SPSS version 29.0 and SEM-PLS version 4.0 for inferential analysis. Three states were selected to represent the region, Kwara State, Niger State, and FCT, Abuja. The proportion of the sample of packaged water enterprises drawn from FCT and each of the study States. A total of 306 samples (representing 35% of the total) from Niger State, and 235 samples (representing 27% of the total) from Kwara State. On the other hand, Federal Capital Territory (Abuja) accounted for 38% of the samples. This location was selected for the study due to its high concentration of registered packaged water production enterprises in the North-Central region of Nigeria.

#### 4. Results and Discussion

##### 4.1 Significance of Path Coefficients

By estimating a series of regression equations in the study, the coefficients in the structural model shows the connections between the constructs are determined. This study has looked at four models that analyses the links between the performance of SMEs, EO, and development of HC in direct, indirect, and total effects.

Effects	Path Coefficients ( $\beta$ )	P values	Null Hypothesis
<b>Direct Effects</b>			
ET -> SMEP	0.257	0.000	Rejected
EE-> SMEP	0.090	0.171	Accepted
EWE -> SMEP	0.441	0.000	Rejected
<b>Direct Effects</b>			
EE -> EO	0.070	0.236	Accepted
ET -> EO	0.529	0.000	Rejected
EWE -> EO	0.188	0.000	Rejected
<b>Indirect Relationship</b>			
ET -> EO -> SMEP	0.531*0.087	0.124	Accepted
EWE -> EO -> SMEP	0.178*0.087	0.163	Accepted
EE -> EO -> SMEP	0.075*0.087	0.378	Accepted
<b>Total Effects</b>			
EE -> EO	0.075	0.203	Accepted
EE -> SMEP	0.007	0.123	Accepted
EO -> SMEP	0.087	0.000	Rejected
ET -> EO	0.531	0.056	Accepted
ET -> SMEP	0.191	0.000	Rejected
EWE -> EO	0.178	0.000	Rejected
EWE -> SMEP	0.558	0.203	Accepted
EE -> EO	0.075	0.123	Accepted

Source: Researcher's Fieldwork, 2023.

**Table 1.3** the path coefficients' statistical relevance in the study's structural equation model was demonstrated above. There were four main headers used to present the PLS-



SEM analysis results. A couple of these were the direct effect, in which the dependent variables were SME performance and EO, and the independent variable was the dimensions of HCD. By acting as mediator between elements of HCD and the performance of SMEs, EO was used to investigate the indirect relationship. The statistical links between all aspects of HCD, EO, and the performance of SMEs were indicated by the presentation of the total effect.

#### 4.2 Discussion of Findings

The development of entrepreneurial skills has been identified as a critical component in enhancing packaged water SMEs' capacities. The positive correlation found indicated that, among packaged water SMEs in North-Central Nigeria, entrepreneurship training greatly improved operational efficiency. According to this study, there is positive and significant impact between training and the performance of packaged water enterprises in the region. This result is in line with the outcome of previous studies by Peter *et al.* (2018), Ogbu and Chibundu (2017), and Abdullahi *et al.* (2015), who also revealed that training has significant and positive impact on SMEs' performance. The lack of statistical effect between entrepreneurial education and SMEs performance, in contrast to positive effect found with entrepreneurial training, suggests that education does not significantly contribute to operational efficiency of packaged water enterprises. The results of this study contradict those of earlier studies, which found that entrepreneurship education has a statistically significant for survival, growth, and performance of SMEs. These studies included Muhtadi *et al.* (2021), Mahmood *et al.* (2021), and Emezue and Onwujekwe (2020).

The results of this study showed that packaged water enterprises improved operational capabilities were largely attributable to their cumulative job experience. The study highlights the transformative potential of accumulated experience. It is likely that entrepreneurs who has substantial work experience gain a distinct understanding of the operational intricacies, which enables the entrepreneurs to navigate challenges more effectively and optimize the production processes to increase the efficiency. This study's outcome concurs with that of Ardianto (2020), Marvell *et al.* (2020), and Peng *et al.* (2020), which found that job experience significantly improved entrepreneurial performance. It is clear from earlier research that SMEs' performance was significantly influenced by their work experience. This was consistent with the theory put forth by Daniel *et al.* (2019) and Sutapa *et al.* (2017) that an organization's sustainable competitive advantage was derived from the knowledge, abilities, and work experience of its workforce. When mediated by EO, the performance of packaged water enterprises in the region is found to have non-statistically significant impact with aspects of HCD. The mediated effect analysis's findings revealed that HCD has favorable impact on SMEs' performance and EO. Nevertheless, it was discovered that the model in which EO acted as a mediator was not statistically significant. Thus, it can be concluded that in the region, the EO does not have any mediation effect on the performance of packaged-water enterprises and their HC dimensions. Enterprises that deal with packaged water, however, must be highly inventive in order to maintain and expand their market offerings in the face of intense worldwide

rivalry, quickening technological advancements, and limited resources. A packaged water SMEs that does not innovate would continue to be stunted, diminish, and ultimately die as innovation is the foundation of entrepreneurship (Adeyeye, 2018). When mediated by EO, this study found a non-statistically significant impact on the performance of packaged water SMEs in North-Central, Nigeria, and the aspects of HCD. The results of the studies by Zaato *et al.* (2020), Idrus *et al.* (2020), Hoque *et al.* (2018), and Kosa *et al.* (2018), which discovered a substantial impact of EO on SMEs' performance, do not align with these findings.

## 5. Conclusion and Recommendations

In conclusion, the study provided answers to the stated research questions on the extent to which human capital development dimensions influenced packaged water SMEs performance and the mediating effect of entrepreneurial orientation. Similarly, this study aligned with its central aim, which is to assess the impact of human capital development on the performance of packaged water SMEs in North-Central zone of Nigeria. Furthermore, they showed that work experience and training both as elements of the HCD have a positive and significant impact. The study revealed that there is partial mediating effect of EO in the relationship between HCD towards the success of SMEs in the packaged water enterprises in North-Central zone of Nigeria.

In view of the conclusion arrived at, this study suggested the following recommendations:

Packaged water enterprises in the region should prioritize the integration of comprehensive training programs. This involved developing and implementing training initiatives, such as on-the-job training, off-the-job training that cover a broad spectrum of skills acquisitions, managerial training, financial management training, and operational aspects of the business.

Packaged water enterprises in the region should reconsider their education strategies, instead of solely focusing on traditional educational approaches, they should explore innovative and practical educational methods. This could involve incorporating hands-on training, case studies, and industry-specific workshops to better equip employees with the skills and knowledge needed for improved performance.

Packaged water enterprises in the region should place emphasis on recruitment and selection of personnel based on relevant work experience. To further enhance the positive correlation between the work experience and enterprises performance, enterprises are encouraged to establish mentorship programs within their organizations. Pairing experienced employees with those who are newer to the industry can facilitate knowledge transfer, knowledge sharing and skill development.

Packaged water enterprises in the region should conduct a strategic review of entrepreneurial orientation components. Assessing the specific elements that may not be effectively mediating the relationship can guide organizations in refining their approaches. This could involve reassessing risk-taking behaviours, proactiveness, and innovativeness

to identify areas for improvement and better alignment with overall human capital development goals.

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