



**FORMALIZATION AND PERFORMANCE OF MICRO, SMALL AND MEDIUM
ENTERPRISES IN NIGERIA; THE ROLE OF OPEN MINDEDNESS AND
COMMITMENT TO LEARNING.**

Shaibu, O. Blessing¹

¹Department of Business Administration,
Federal University Wukari, Nigeria

Prof. Karwai, Sulaiman²; Sahnun, Ladan PhD³

^{2&3} Department of Business Administration,
ABU Business School, Ahmadu Bello University, Nigeria

&

Idris, Isma'il Tijjani PhD

⁴ Department of Banking and Finance,
ABU Business School, Ahmadu Bello University, Nigeria

Abstract

The aim of this study was to examine if formalization can be adopted by MSMEs in Nigeria as a way ensuring better performance and if open mindedness and commitment to learning can both affect MSMEs performance as well as strengthen the relationship between formalization and performance of MSMEs in Nigeria. With a population of 39,654,385 MSMEs in Nigeria, Yamene formula was used to obtain a sample size of 400 out of which 368 of the responses were found usable for the study. Hypothesis was tested using SmartPLS version 3.4 and the result indicated that Formalization, open mindedness and commitment to learning significantly affects the performance of MSMEs in Nigeria. However, open mindedness and commitment to learning did not significantly moderate the relationship between formalization and performance of MSMEs. The study concluded that formalization, open mindedness and commitment to learning individually are key to growth and development of MSMEs but open mindedness and commitment to learning will not strengthen formalization since they assume opposite principles. The study recommended that operators of MSMEs should ensure rules and regulations guiding their operations are clearly written and/or established as well as followed.

Keywords: Formalization, MSME Performance, Open Mindedness, Commitment to Learning



INTRODUCTION

In Nigeria, Micro, Small and Medium Enterprises (MSME) are classified as businesses with a minimum of three employees and a maximum of 199 employees (Nigerian Bureau of Statistics-Small and Medium Enterprises Development Agency NBS-SMEDAN, 2017). According to the NBS-SMEDAN (2021) report, MSMEs represent about 96% of businesses in Nigeria. They are the greatest employers of labour accounting for about 75% in Nigeria and 47% contribution to Gross Domestic Product (GDP). According to Kippa, (2022) they are more entrepreneurs in Nigeria than they are in other parts of the world considering the number of MSMEs in Nigeria (about 39.6 million enterprises) relative to its entire population (about 200 million people). Whereas, countries like the United States of America has about 30million enterprises, china has about 38million enterprises and India has about 42million enterprises.

MSMEs are relatively easier to start-up compared to larger corporations since they require less resources in terms of capital, machines and other assets however, they are also more likely to fail and go out business compared to larger businesses. Furthermore, their easier to start and easier to operate nature makes it possible for large numbers of operators to participate thus, they are often faced with hyper-competition and proliferation of the market. This consequently makes it harder for the businesses to maintain success and achieve their goals and so there is an alarming high rate of enterprise mortality in the sector in Nigeria (Agu et al., 2018). Unfortunately, their poor survival rate undermines their contribution and impact on the economy of the nation. For example, Ogunjimi (2021) established that, the employment generated in the MSME sector has a significant positive impact on unemployment in Nigeria, indicating that their preponderance has not really reduced unemployment in Nigeria.

It has therefore become necessary to investigate possible ways of improving the performance of MSMEs in Nigeria. Though there has been efforts from the government through the initiation of specific programs to stimulate growth in the sector as well as scholarly contributions from researchers, they remains a call for ways the sector can be improved. One pertinent way of success for businesses found in literature is a proper structure without which every other strategy cannot function optimally (Udayanga, 2020; Stverkova & Pohludka, 2018). According to Li, (2019), whether an organizational will succeed or fail is a function of its structure as a bad structure will produce bad organizational outcomes.

Nwonu, Agbaeze and Obi-Anike, (2017) postulated that, notwithstanding the expertise of a manager, if the structure of the enterprise is not good enough, the enterprise is bound to fail. That is because, structure spells what the organization wants to do and how it will be done. While there are various dimensions of structure like complexity, decentralization, formalization, specialization, standardization, hierarchy of authority, professionalism, stratification and chain of command found in literature, this study focused specifically on formalization because it is one dimension of structure that firms can implement irrespective of size. Whether micro, small, medium or large cooperation, firms can practice formalization unlike complexity, decentralization or chain of command that will require large number of employees for it to be feasible.

Formalization, as outlined by Chams-Anturi, Moreno-Luzon, and Romano (2022), entails the adherence to regulations and the establishment of standardized processes and procedures,

Formalization and performance of micro, small and medium enterprises in Nigeria; the role of open mindedness and commitment to learning



whether explicitly detailed in written documents or manuals or not.. Formalization ensures order and discipline in the workplace, ensures employees are not ignorant of job expectations and behavioural expectations because expectations are established and spelt out. When formalization is not in place or it is very low in a firm, it brings about ambiguity of roles, and such situations will affect employees' behaviour as well as performance; conversely, when there is excessively high levels of formalization in an enterprise, it can generate monotony in the job, reduced performance, estrangement and an increase in work turnover (Dalton, Todor, Spendolini, Fielding and Porter, 1980). This study therefore proposed that open mindedness, a concept that is a branch of learning orientation may affect firm performance as well as moderate the effect of formalization on performance MSMEs in Nigeria.

Open mindedness entails being willing to re-evaluate current position, modes of operation, routines and also to accept new ways of doing things as things evolve (Martinez, Serna & Montoya, 2020). Given that the business world is ever changing and rapidly too, open mindedness and commitment to learning is needed to ensure the businesses and not stuck on the past and as a result affected negatively. This study therefore assessed if formalization, open mindedness and commitment to learning significantly and positively influence MSMEs performance in Nigeria and if open mindedness and commitment to learning significantly moderates the effect of formalization on the performance of MSMEs in Nigeria.

LITERATURE REVIEW

Scholars have viewed performance differently in extant literature. From financial performance of organizations (profitability) to non-financial performance such as strategic performance, market performance, operational performance, success of a new product/service, customer and employee satisfaction and even managers satisfaction with performance also in comparison to competitors (Ibrahim & Isichei, 2023). Amaratunga and Baldry (2002) suggested that evaluating an organization's performance serves as a foundation for assessing its progress towards predetermined objectives, identifying areas of strength and weakness, and determining future initiatives aimed at enhancing organizational performance. Hani (2021) expressed the belief that performance reflects the implementation of an organization's strategy. Tarigan, Mochrar, Basana, and Siagian (2021) regarded organizational performance as a meticulously planned and controlled mechanism aimed at enhancing organizational strategy. Nwonu et al. (2017) defined performance as an evaluation of how effectively work is carried out in terms of cost, quality, and timeliness, enabling companies to focus on areas requiring improvement. Regardless of the perspective taken by researchers, performance typically indicates whether the outcomes achieved by the organization align with its intended goals, making it a pivotal subject in management studies.

Concept of Formalization

Formalization is viewed in relation to the extent to which rules and procedures for the roles and behaviours of employees supervised in an organization are written (Boyne, Brewer and Walker, 2010). Graubner (2006) describes the systematization of tasks, known as formalization, as the



level of standardization within jobs. Professional latitude, on the other hand, encompasses the acceptable behaviors within these standards and the extent of freedom employees have in their actions. Chams-Anturi et al. (2022) define formalization as the adherence to regulations and the establishment of standardized processes and procedures, regardless of whether they are explicitly outlined in written documentation or manuals. Lee and Edmondson (2017) suggest that formalization is evident through the presence of an employee handbook, constitutions, and binding job descriptions across the entire organization. According to Christ (2022), these documented rules, regulations, and procedures can take the place of the task-oriented aspect of leadership typically associated with managerial roles in organizations.

Concept of open mindedness and commitment to learning

According to Sinkula, Baker and Noordewier, (1997) open-mindedness is the willingness to critically evaluate the organization's operational routine and to accept new ideas. Because knowledge tends to become obsolete over time, open mindedness is necessary to re-evaluate methods that were previously in place so as to review them when the need arises. Open mindedness ensures that organizations develop new skills and that they discard old and unusable knowledge. Commitment to learning according to Akeke et al., (2022) is an organizational characteristic that entails managers encouraging and supporting the learning process in their organization. Commitment to learning according to Calantone, Cavusgil and Zhao (2002) is the degree to which an organization values and promotes learning. When an organization is committed to learning, it will most likely create an environment that encourages learning and also learn eventually and this will sustain their survival. Commitment to learning and open mindedness promotes knowledge development because the organization is constantly in pursuit of novel ways of doing things. According to Baker et al., (2022), learning is often associated with improved performance because learning gives organization the opportunity to unlearn existing and obsolete knowledge of their business, their market, customers and competitors and allows them come up with new and improved ones.

Following the review of literature, the study made the following hypothesis;

HO1: Formalization has no significant effect on the performance of MSMEs in Nigeria.

HO2: Open mindedness has no significant effect on the performance of MSMEs in Nigeria.

HO3: Commitment to learning has no significant effect on the performance of MSMEs in Nigeria.

HO4: Open mindedness does not significantly moderate the effect of formalization on the performance of MSMEs in Nigeria.

HO5: Commitment to learning does not significantly moderate the effect of formalization on the performance of MSMEs in Nigeria.

METHODOLOGY

A descriptive survey research design that is cross sectional in nature was used in this study. The study made use of primary data that was collected from the owner/manager of MSMEs in Nigeria. The population of the study was MSMEs in Nigeria. The report of NBS-SMEDAN, (2021) indicates that there are 39,654,385 enterprises in Nigeria. Because it is difficult to distribute questionnaires to all the enterprises in the 36 states, a state each was taken from each



of the six geopolitical area in Nigeria to make six states to ensure representation. Taro Yamene's sample size determination formula was used to obtain a sample size of 400 enterprise and who made the respondents for the study. Out the 400 respondents reached, 368 responses (representing 92%) were returned and found usable for the study.

To measure the independent variable that is MSMEs performance, the study adapted the scale by Santos and Brito (2012). Respondents were asked to rate their firms growth performance on a 5 point likert scale ranging from strongly agree, agree, undecided, disagree and strongly disagree. The scale had 5 items measuring performance and examples of statements in the questionnaire include "The profitability of your organization has increased in the last 3 years"; "Your organization's market-share has improved in the last 3 years". The independent variable that is formalization was measured using an adapted measurement scale developed by Erol and Ordu, (2018). The scale had six (6) items that measured formalization. Some of the statements in include, "Employees feel free to choose the methods, techniques and materials they think are most appropriate for their task"; "There are norms that determine who has to do what, where and when".

The moderating variable open mindedness and commitment to learning was measured using the scale by Sinkula, Baker and Noordewiet (1997). Three items measured open mindedness, they include, "We regularly collectively question our own business about the way we interpret customer information"; "We are not afraid to reflect critically on the shared assumptions we have made about our customers and "Personnel in this organization realize that the way they perceive the marketplace must be continually questioned" while four items measured commitment to learning. Examples of the questions included "The basic values of this organization include learning as a key to improvement"; "Learning in my organization is seen as a key commodity necessary to guarantee organizational survival".

RESULTS

Following extant scholarly recommendations on path analysis, two-fold approaches were adopted, which was the measurement and structural model analysis (Hair et al., 2019; Sarstedt et al., 2016). The study used SmartPLS version 3.4 for the analysis. This choice was premised on the fact that it uses the PLS algorithm, which is robust to violations of assumptions such as non-normality, small sample sizes, and multicollinearity (Sarstedt, 2020). This robustness makes SmartPLS a suitable choice when dealing with non-normal or non-linear data, which may be common in social sciences and management research (Hair et al., 2016). The study model evaluated the convergence of the PLS algorithm and it revealed that it converged after the second iteration.

Measurement Model

Each item's factor loadings in the scale were evaluated to determine their suitability for inclusion in the model. According to Hair et al. (2021), a minimum threshold of 0.60 or higher is recommended for factor loadings to be deemed acceptable in a model. Therefore, only items with loadings of 0.60 or higher were retained. As none of the items loaded below 0.60, all items

in the scale met this criterion and were thus included in the structural model, as illustrated in Figure 1.

Composite reliability and Cronbach's alpha were utilized to assess the scale's reliability. Scholars suggest that a minimum threshold of 0.70 must be met for internal consistency to be established (Hair et al., 2016). Our findings indicated that none of the reliability coefficients had an index value below 0.70. Consequently, since these criteria were satisfied, it can be inferred that the reliability requirements were met. Additionally, a composite reliability of 0.70 or higher is considered reliably good (Hair et al., 2021).

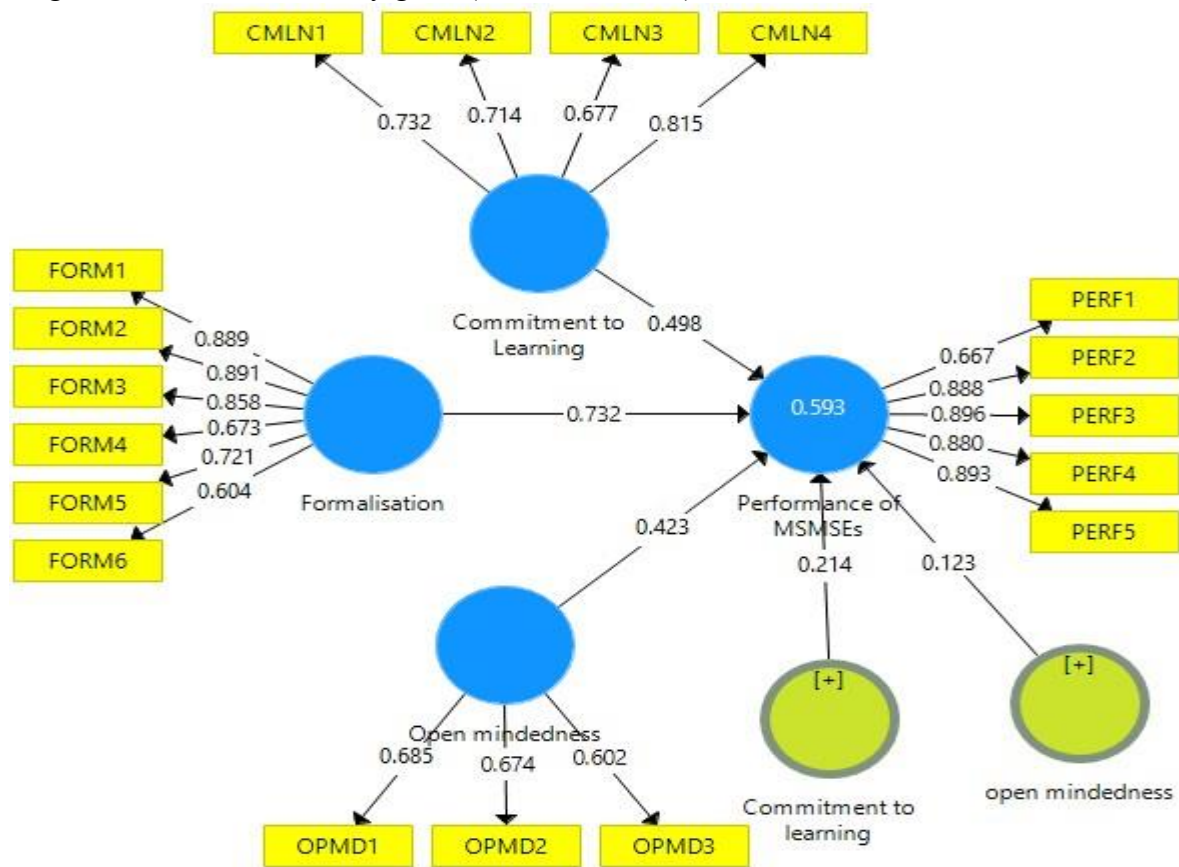


Figure 1: Pictorial display of measurement model

Source: Researcher, 2023

In line with the measurement model requirement, convergent validity was assessed, and average variance explained (AVE) was used, and we followed recommended scholarly threshold of 0.5 and above for Average Variance Extracted (AVE) (Becker *et al.*, 2013; Henseler *et al.*, 2015) and the result confirmed that this was satisfied. Convergent validity criteria were satisfied. Chin (1998) provided guidelines for interpreting R-square values for endogenous latent variables. According to his recommendations, R-square values of 0.67 can be considered substantial, values of 0.33 can be seen as moderate, and values of 0.19 can be considered weak in terms of their explanatory power. Following this point view, it then implies that the variance



in performance explained by formalization, commitment to learn and open mindedness is moderate given the coefficients of 0.593, as shown in Figure 1.

The path coefficients between the variables were also confirmed. The path coefficients represent the strength and direction of the relationships between variables in a structural equation model. The path coefficient that explains the link between formalization and performance of MSEMs was confirmed to be positive ($\beta = 0.732$). This suggests that there is a positive relationship between formalization and performance of MSMEs. Also, the path coefficient that links commitment to learning to performance of MSMEs was also confirmed to be positive ($\beta = 0.498$).

This indicates a positive relationship between commitment to learning and performance of MSMEs. Further, the link indicating the shared relation between open mindedness and performance of MSMEs was also confirmed to be positive ($\beta = 0.423$) and this suggest that open mindedness has a shared positive relationship with performance of MSMEs. The path indicating the interaction effect between commitment to learning, open mindedness, formalization and performance of MSMEs was also confirmed to be positive ($\beta = 0.214$) ($\beta = 0.123$) respectively.

To substantiate the legitimacy of the scales, the investigator proceeded to examine discriminant validity. The study construct's discriminant validity was evaluated using the HeterotraitMonotrait (HTMT) ratio of correlations method, as advocated by Henseler et al. (2015). This method was selected due to its recognized effectiveness in detecting deficiencies in discriminant validity in comparison to alternative measures.

F-Square refers to the difference in R-Square when an exogenous variable is excluded from the model. It is used as a measure of effect size, where values equal to or greater than 0.02 are considered small, values equal to or greater than 0.15 are considered medium, and values equal to or greater than 0.35 are considered large, according to Cohen's (1988) classification. The result confirms small effect size for all the variables, commitment to learning was 0.013, open mindedness was 0.020, aside formalization that had a large effect, which is 1.146.

Table 1: HTMT Ratio of Correlations Discriminant Validity

	CML	CML	FORM	OPMD	PERF	OPMD
CML						
CML	0.089					
FORM	0.362	0.330				
OPMD	0.800	0.234	0.737			
PERF	0.121	0.261	0.802	0.461		
OPMD	0.099	0.012	0.104	0.279	0.102	

Source: Researcher Design, 2023

The above Table 1 displays the results of the Heterotrait-Monotrait (HTMT) ratio of correlations, which were utilized to assess the discriminant validity of the constructs. In order to meet the criteria for discriminant validity, the intercorrelations should be lower than the recommended threshold of 0.85 for constructs that are conceptually dissimilar, as stated by Hair et al. (2021). Based on the findings presented in Table 1, it can be concluded that the discriminant validity criteria have been met.

Structural Model

Next, the structural model was assessed and this was focused on accounting for the significance of the model and 5000 bootstrapping re-sampling was used.

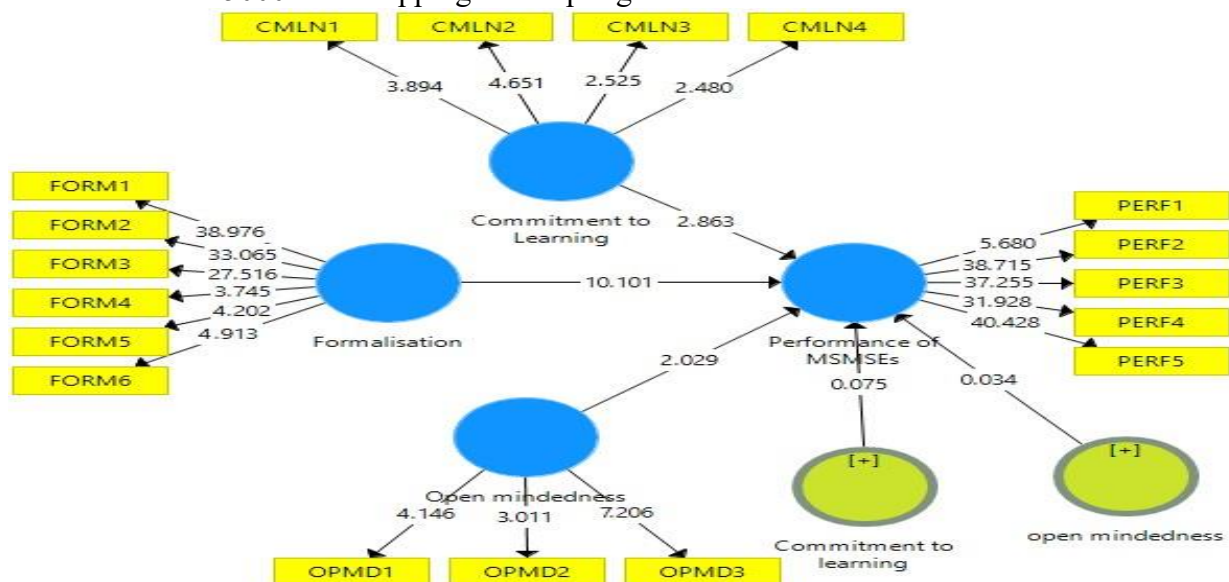


Figure 2: Structural Model shows hypotheses testing

Source: Researcher Design, 2023

The predictive relevance of the model was assessed using the Q-square, and the result confirmed the predictive relevance of the model given that the Q^2 value = 0.465 for performance. As a rule of thumb, Q-square values greater than zero indicates predictive relevance (Munawar *et al.*, 2022). The adequacy of the model fit was evaluated using the standardised root mean squared residual (SRMR). The obtained SRMR value was 0.161, which is above the threshold of 0.08 as recommended by Hair et al. (2019). This indicates that the theoretical model fits well with the observed data.

The structural model analysis is depicted in the figure above (Figure 2). The results indicate that the items of the scale were found to be significant, as all the values had t-values greater than 1.960, which is in line with the recommendation by Ali et al. (2018) to confirm statistical significance. Though an assessment of the paths shows that not all the variables were found to have significant effect on performance of MSMEs. Table 2 below provides a summary of the hypothetical results.



Table 2: Hypotheses Summary

Hypotheses	Relationship	Beta	T-value	P-value	Decision
H01	Formalisation -> Performance	0.732	10.101	0.000	Rejected
H02	Open mindedness -> Performance	0.432	2.029	0.009	Rejected
H03	Commitment to learn -> Performance	0.498	2.863	0.009	Rejected
H04	Formalisation*Open mindedness -> Performance	0.123	0.034	0.113	Accepted
H05	Formalisation*Commitment to learn -> Performance	0.214	0.075	0.635	Accepted

Source: Researchers Design, 2023

Hypotheses Result Hypothesis One

H01: There is no impact of formalization on the performance of MSMEs in Nigeria.

The findings summarized in the table indicate a significant influence of formalization on the performance of MSMEs in Nigeria, as evidenced by the path's significance ($\beta = 0.732$; $t\text{-value} = 10.101$, $p < 0.05$). Since the t -value exceeds 1.96, indicating significance, the alternate hypothesis is accepted while the null hypothesis is rejected, suggesting that hypothesis one is rejected. Thus, it can be concluded that formalization indeed affects the performance of SMEs in Nigeria.

Hypothesis Two

H02: Open-mindedness does not influence the performance of SMEs in Nigeria.

The table summary reveals a significant effect of open-mindedness on the performance of SMEs in Nigeria, with the path being significant ($\beta = 0.432$; $t\text{-value} = 2.029$, $p < 0.05$). Given that the t -value exceeds 1.96, indicating significance, the alternate hypothesis is accepted while the null hypothesis is rejected, leading to the rejection of hypothesis two. Therefore, it is evident that open-mindedness impacts the performance of SMEs in Nigeria.

Hypothesis Three

H03: Commitment to learning has no effect on the performance of SMEs in Nigeria.

The analysis shows a significant impact of commitment to learning on the performance of SMEs in Nigeria, with the path being significant ($\beta = 0.498$; $t\text{-value} = 2.863$, $p < 0.05$). Since the t -value surpasses 1.96, indicating significance, the alternate hypothesis is accepted while the null hypothesis is rejected, thereby rejecting hypothesis three. Hence, it can be concluded that commitment to learning influences the performance of SMEs in Nigeria.



Hypothesis Four

H04: Open-mindedness does not moderate the relationship between formalization and performance of SMEs in Nigeria.

The results demonstrate that open-mindedness does not moderate the relationship between formalization and the performance of SMEs in Nigeria, as the path is not significant ($\beta = 0.123$; $t\text{-value} = 0.034$, $p < 0.05$). Since the t -value is less than 1.96, indicating insignificance, the alternate hypothesis is rejected while the null hypothesis is accepted, leading to the acceptance of hypothesis four. Thus, it can be inferred that open-mindedness does not moderate the relationship between formalization and the performance of SMEs in Nigeria.

Hypothesis Five

H05: Commitment to learning does not moderate the relationship between formalization and performance of SMEs in Nigeria.

The analysis reveals that commitment to learning does not moderate the relationship between formalization and the performance of SMEs in Nigeria, as the path is not significant ($\beta = 0.214$; $t\text{-value} = 0.075$, $p < 0.05$). Since the t -value is less than 1.96, indicating insignificance, the alternate hypothesis is rejected while the null hypothesis is accepted, leading to the acceptance of hypothesis five. Therefore, it can be concluded that commitment to learning does not moderate the relationship between formalization and the performance of SMEs in Nigeria.

DISCUSSION

This study examined the effect of formalization, open mindedness ad commitment to learning on performance of MSMEs in Nigeria. The study found that they all had positive and significant effect on performance of the target population. Contrary to the opinions that small businesses do not have or cannot have structures, our study showed that small businesses can practice formalization and also benefit from doing so. The result of this study implies that, the more of standardization a business practices, the better the outcome of the business. With formalization, there is assurance that customers are not disappointed in the offerings of the organization and this can ensure they are loyal to the brand and ensure the organization retains them all things being equal. Furthermore, formalization garners certainty, hope and confidence for employees. If an employee for example is sure that his promotion is guaranteed every three years or based on some career achievements or criteria, that employee will be more inclined to stay in the organization and also put in his/her best compared to an organization where there are no rules on the progression or modes of operations and anything goes depending on the mood of the manager/owner. The findings also collaborates extant studies who also found positive and



significant impact of formalization on performance (Merz & Sorgner, 2022; Pertusa-Ortega & Molina-Azorin, 2018; Zhang, Wang & Sun, 2022).

Similarly, Open mindedness and commitment to learning were found to significantly affect the performance of MSMEs in Nigeria. When organizations are open to new ideas as market change or as customer's demands and taste change, they are able to perform better. Also, when the organization is committed to learning, employees will be better equipped with the skill they require to set themselves apart and they will perform better. This findings collaborates other prior studies like Bature, Sallehuddin and Hin (2018) and Tajeddini, Altinay and Ratten, (2017) who observed that learning helps small businesses create and use skills, knowledge and technical knowledge to extend strong capabilities that result in superior performance.

Though open mindedness and commitment to learning positively and significantly affected performance of MSMEs in Nigeria, they did not moderate the relationship between formalization and performance. Contrary to our expectations that formalization can become a trap for organizations if it is at an extreme because they are situations that might require that rules be reviewed and thus open mindedness and commitment to learning will make up for the rigidity and complexities of formalization, the results of our study revealed otherwise. A possible and rational reason might be that both concepts are not aligned. While formalization entails strictly following rules and regulations, open mindedness and commitment to learning on the other hand seeks to question existing rules and regulations and thus might not be able to strengthen formalization. As Merz and Sogner (2022) stated, standards in organizations are put in place specifically for legitimate accountability, coordination, compatibility and to obtain comparability. Open mindedness and commitment to learning as it relates to formalization might only reduce the effect as our study has shown.

CONCLUSION AND RECOMMENDATIONS

Based on the results obtained, the study concludes that formalization, open mindedness and commitment to learning are key to growth and development of MSMEs. Formalization ensures systems and standards are put in place to guide the enterprise. The quality of policies, rules and regulation put in place to govern the organization and how well the organization follows this written or established laws determines the performance of the organization. Formalization is what sets the pace in the business and it affects everything from the owner/manager, to employees and even customers. Formalization describes what the business stands for because it entails the vision, mission, objectives and strategies of the business. It determines how the business is perceived by outsiders, it determines the conduct of employees and even clients. Ultimately, it determines the success or failure of the business. The study also concludes that open mindedness and commitment to learning plays a significant role in the performance of MSMEs in Nigeria. Open mindedness and commitment to learning determines what the organization knows and what the organizations knows helps in defining the organization. Open mindedness and commitment to learning are therefore important. They however do not significantly influence the effect of formalization.



The study therefore recommended that, operators of MSMEs should ensure rules and regulations guiding their operations are clearly written and/or established. MSMEs should ensure that the standard procedures guiding their operations are documented, the step by steps procedure for each responsibility should be written. Everyone in the organization should know what is expected of them in terms of roles and conduct. Managers must also ensure strong compliance of laid down rules. The study recommends that systems and procedures should be reviewed periodically so that new practices are initiated and improved procedures are implemented when necessary. In addition, MSMEs should set up parameters for gathering information from customers, employees, competitors and market trends as predicting the future based on knowledge will secure their enterprise from challenges that emanates from sudden changes.

REFERENCES

- Agu, M. S. T., Isichei, E. E., & Olabosinde. (2018). Infrastructural development and growth of micro, small, and medium-scale enterprises (MSME). *Academic Journal of Economic Studies*, 4(4), 71-77.
- Akeke, N. I., Akeke, A.R. & Oyebanji, O.M. (2022). *Effect of learning orientation on performance of Nigerian small and medium enterprises*. 5TH International conference on research in business management and economics. 86-92
- Ali, F., Rasoolimanesh, S.M., Sarstedt, M., Ringle, C.M. & Ryu, K. (2018). An assessment of the use of partial least squares structural equation modeling (PLS-SEM) in hospitality research. *International Journal of Contemporary Hospitality Management*, 30(1), 514-538.
- Amaratunga, D., & Baldry, D. (2002). Moving from performance measurement to performance management. *Facilities* 20(5), 217-223
- Bature, S. W., Sallehuddin, R. M., & Hin, C. W. (2018). Learning orientation, access to debt finance, organizational capability and performance of small and medium enterprises: A proposed model. *Academy of Accounting & Financial Studies Journal*, 22(3), 1–11.
- Baker, W. E., Mukherjee, D. & Perin, M. G. (2022). Learning Orientation and Competitive Advantage: A Critical Synthesis and Future Directions. *Journal of Business Research* 144(2022), 863–873
- Becker, J.M., Rai, A. & Rigdon, E. (2013). *Predictive validity and formative measurement in structural equation modeling: Embracing practical relevance*. 34th International Conference on Information Systems, Milan, 1-19.
- Boyne, G. A., Brewer, G. A. & Walker, R. M. (2010). *Public management and performance*. USA: Cambridge University Press
- Calantone, R. J., Cavusgil, S. T. & Zhao, Y. (2002). Learning orientation, firm innovation capability, and firm performance. *Industrial Marketing Management*, 31(6), 515- 524.
- Chams-Anturi, O., Moreno-Luzon, M. D. & Romano, P. (2022). The role of formalization and organizational trust as antecedents of ambidexterity: An investigation on the organic agrofood industry. *Business Research Quarterly*. 25(3) 243–264 DOI: 10.1177/23409 444 2096633



- Chin, W. W. (1998). The partial least squares approach to structural equation modeling. *Modern methods for business research*, 295(2), 295-336.
- Christ, N. (2022). *Employee thriving in self-managing organizations: The role of personality traits and the moderating effect of decentralization and formalization*. Master's Thesis submitted to the Institute of Strategic Management, Johannes Kepler University, Austria
- Cohen, J. (1988). *Statistical power analysis for the behavioral sciences* (2nd Ed.). New York: Routledge.
- Dalton, D. R., Todor, W. D., Spendolini, M. J., Fielding, G. J. & Porter, L. W. (1980). Organization structure and performance: A critical review. *Academy of Management Review*, 5(1), 49-64. <https://doi.org/10.5465/AMR.1980.4288881>
- Erol, E., & Ordu, A. (2018). Organizational structure scale – University version. *European Journal of Educational Research*, 7(4), 775-803. Doi: 10.12973/eu-jer.7.4.775
- Hair, J.F., Hult, G.T.M., Ringle, C.M., Sarstedt, M., Danks, N.P., & Ray, S. (2021). *An Introduction to Structural Equation Modeling*. In *Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R. Classroom Companion: Business*. Springer, Cham. https://doi.org/10.1007/978-3-030-80519-7_1
- Hair, J.F., Risher, J.J., Sarstedt, M., & Ringle, C.M. (2019). When to Use and How to Report the Results of PLS-SEM. *European Business Review*, 31, 2-24. <https://doi.org/10.1108/EBR-11-2018-0203>
- Hair, Jr, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2016). *A primer on partial least squares structural equation modeling (PLS-SEM)*. Sage Publications.
- Hani, J. S. B. (2021). The moderating role of lean operations between supply chain integration and operational performance in Saudi manufacturing organizations. *Uncertain Supply Chain Management*, 9(1), 169–178, DOI: 10.5267/j.uscm.2020.10.004
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of Academic Marketing Science*, 43, 115–135. <https://doi.org/10.1007/s11747-014-0403-8>
- Ibrahim, A. A., & Isichei, E. E. (2023). Entrepreneurial Finance and Sustainability of Nascent Firms. *Global Business Review*, 0(0). <https://doi.org/10.1177/09721509231168538>
- Kippa. (2022). *Fuel for Africa's next billion businesses*. The Nigerian MSME Report 2022
- Lee, M. Y. & Edmondson, A. C. (2017). Self-managing organizations: explaining the limits of less hierarchical organizing. *Research in organizational behaviour*, 37(1), 35-58. Doi: 10.1016/j.riob.2017.10.002
- Li, Y. (2019). Which organizational structure will facilitate the success of your project? *PM World Journal*, 8(2), 1-19
- Martinez, A. E. V., Serna, M. C. M. & Montoya, N. P. (2020). Dimensions of Learning Orientation and its Impact on Organizational Performance and Competitiveness in SMEs. *Journal of Business Economics and Management*, 21(2), 395–420 <https://doi.org/10.3846/jbem.2020.11801>
- Merz, M., & Sorgner, H. (2022). Organizational complexity in big science: strategies and practices. *Synthese* 200(211), 1-21. <https://doi.org/10.1007/s11229-022-03649-3>



- Munawar, S., Syed Muhammad, F., Syed Ahmed, S., Farooq, S., Rehman, A. (2022). Skipping the skippable: An empirical study with out-of-sample predictive relevance. *Journal of Community Psychology*, 50(2), 742-759. <https://doi.org/10.1002/jcop.22674>
- NBS-SMEDAN. (2017). *National survey of micro small and medium enterprises*. Nigerian Bureau of Statistics and Small and Medium Enterprises Development Agency of Nigeria.
- NBS-SMEDAN. (2021). *National survey of micro small and medium enterprises*. Nigerian Bureau of Statistics and Small and Medium Enterprises Development Agency of Nigeria.
- Nwonu, C. O., Agbaeze, E. K. & Obi-Anike, H. O. (2017). Effect of Organizational Structure on Performance of Selected Manufacturing Companies in Enugu State Nigeria. *The International Journal of Business & Management*. 5(5), 190-206.
- Ogunjimi, J. A. (2019). *The Role of Small and Medium Enterprise in Tackling Unemployment in Nigeria*. Nigerian Institute of Social and Economic Research (NISER). Ibadan, Nigeria.
- Pertusa-Ortega, E. M. & Molina-Azorin, J. F. (2018). A joint analysis of the determinants and performance consequences of ambidexterity. *BRQ Business Research Quarterly*. 21(1), 84-98
- Santos, J. B., & Brito, L. A. L. (2012). Toward a subjective measurement model for firm performance. *BAR-Brazilian Administration Review*, 9(SPE), 95-117.
- Sarstedt, M., Hair, J. F., Ringle, C. M., Thiele, K. O., & Gudergan, S. P. (2016). Estimation issues with PLS and CBSEM: Where the bias lies. *Journal of Business Research*, 69(10), 3998-4010.
- Sarstedt, M., Ringle, C. M., Cheah, J.-H., Ting, H., Moisescu, O. I., & Radomir, L. (2020). Structural model robustness checks in PLS-SEM. *Tourism Economics*, 26(4), 531-554.
- Sinkula, J. M., Baker, W. E. & Noordewiet, T. (1997). A framework for market-based organizational learning: linking values, knowledge, and behavior. *Journal of the Academy of Marketing Science*, 305-318
- Tajeddini, K., Altinay, L. & Ratten, V. (2017). Service Innovativeness and the Structuring of Organizations: the Moderating Role of Learning Orientation and Inter-functional Coordination. *International Journal of Hospitality Management*, 65(1), 100-114.
- Udayanga, M. V. S. S. (2020). The Effect of Organizational Structure on Performance: an Empirical Study of Small and Medium Enterprises in Sri Lanka. *International Journal of Multidisciplinary and Current Educational Research*, 2(5), 345-353. Stverkova & Pohludka, 2018)
- Yamane, T. (1973). *Statistics: an introductory analysis*. New York: Harper & Row.
- Zhang, Z., Wang D., & Sun, W. (2022). TMT conflict, organizational structure, and entrepreneurial orientation: An attention-based view. *Scandinavian Journal of Management* 38(2022), 1-10