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ENTREPRENEURIAL COMPETENCIES AND PERFORMANCE OF SMALL ENTERPRISES IN NIGER STATE, NIGERIA: A FOCUS INNOVATION COMPETENCE AND PRODUCT QUALITY

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ABSTRACT
Entrepreneurial weak innovation competence on product quality has been identified by scholars as a major factor undermining the score to Small Enterprises (SEs) Performance and is often less explored by previous studies despite SMEs enormous contributions to the economic growth and development of nations. To mitigate this attrition and prevalence, this study investigates the effect of entrepreneurial innovation competence on product quality of SEs in Niger State, Nigeria. A quantitative research survey design was adopted and data were collected from 275 SEs owners and managers operating in the state, using structured copies of questionnaire. The data were analysed using simple linear regression and the results showed a weak but positive significant effect between innovation competence and product quality, which indicates a little enrichment of innovation competence can significantly improve SEs performance. Thus, the study concludes that entrepreneurial innovation competence is a critical driver of product quality among SEs in Niger State, Nigeria. The study recommends SEs managers / owners should invest more in capacity-building and modernisation training programmes for digital innovation inclusion, strengthen networking among industrial partners and collaborative engagements. This can be done through research institutions and international partners and keying into government supportive policies and programmes to foster innovation-driven capacity for an effective competitiveness, product development/standardization and quality assurance.
Keywords: *Entrepreneurial Innovation Competence, Product Quality, Small Enterprises*

1. INTRODUCTION
Small Enterprises (SEs) constitute a pivotal segment and component of national economic development due to their immense contributions to wealth creation, employment generation, technological enhancement, capital mobilisation, poverty reduction, revenue generation and industrial growth. Their labour-intensive nature, reliance on local raw materials, and relatively low capital requirements position them as catalysts of inclusive and sustainable economic advancement across many countries, which are only sustained by their performance (Cheng, Yang & Sheu, 2024). However, Small Enterprise (SEs) performance is measured using financial and non-

financial indicators. Financial metrics include Return on Investment (ROI), Return on Assets (ROA), revenue growth and net profit margin, while non-financial metrics reflect long-term sustainability indicators such as product quality, operational efficiency, customer satisfaction, customer loyalty and market share. Attaining both financial and non-financial performance outcomes depends significantly on the entrepreneurial competencies possessed by enterprise owners/managers (Wakiso & Kinyua, 2025). To that, entrepreneurial competencies encompass knowledge, skills, behaviours, attributes and psychological capabilities that enable owners / managers initiate, manage and grow enterprise performance successfully. These competencies include innovation, knowledge and skills, opportunity recognition, financial, conceptual, networking, human relations and strategic thinking. These competencies are also classified into two: Innate (Psychological/inherited) and Learned (Non-psychological/Acquired) through training, education and capacity-building programmes.

In Nigeria, the past and present Federal and State governments have formulated laudable entrepreneurship policy and programmes aimed at supporting entrepreneurship to strengthening entrepreneurial competencies, but its implementations seem to be hacked by unnecessary bureaucratic bottlenecks, such as corrupt practices. Despite these interventions SEs performance still falls below expectation. Thus, weak innovative capacity and culture, limited skills and inadequate knowledge have been repeatedly identified as major constraints to SEs' performance (Garba, 2019; Zubair & Olaolu, 2021; Manyo, Effiong & Udo, 2024). A recent economic report indicates 3.5% decline in SMEs' contribution to Nigeria's GDP in 2024 (Business Day, 2024). It is on this backdrop, this study examines the effect of entrepreneurial innovation competence on product quality as the performance metric amongst the registered SEs in Niger State, Nigeria**.** The general question is; to what extent do entrepreneurial innovation competence affect product quality of Small Enterprises in Niger State, Nigeria?

Worth noting, despite the acknowledged role of Small Enterprises in advancing economic growth and development, their performance in Nigeria remains unsatisfactory. High failure rates persist, with many enterprises collapsing within the first five years of operation (Kaya, 2019; Bansal, Garg & Sharma, 2022). Entrepreneurial incompetence, particularly weak innovation has been identified as a major factor undermining score to enterprise success (Garba, 2019; Zubair & Olaolu, 2021). However, existing empirical studies examining entrepreneurial competencies and SEs performance show inconsistent findings. However, empirical studies conducted on entrepreneurial competencies such of Ego and Desmiyawati (2021), Simon (2023) studies from Indonesia and Kenya, Manyo *et al.* (2024) in Nigeria, have not address entrepreneurial innovative competencies on performance of product quality, being a critical indicator of enterprise competitiveness and customer retention in Niger Sate, Nigeria. Thus, it is observed that many SEs demonstrate weak innovative capabilities, which contributes to poor product quality outcomes. This gap underscores an urgent need for a focused study investigation of how entrepreneurial innovation competence affect product quality. It is to this end that this study seeks to determine the extent to which entrepreneurial innovation competence affect the product quality of Small Enterprises in Niger State, Nigeria. Hence the study hypothesis is that **e**ntrepreneurial innovation competence has no significant effect on the product quality of Small Enterprises in Niger State, Nigeria.

2. LITERATURE REVIEW AND THEORY

This part attempts to review both conceptual and empirical literature as well as theory that underpinned the study.

2.1 Concept of Enterprise Performance

The concept of enterprise performance has gained significant attention in social, economic and management sciences. The word "performance" connotes the ability of individual, team, groups and organisations to achieve predetermined goals or target within a specified period. Barends, Rousseau and Briner (2022) conceptualise enterprise performance as measurable outcomes derived from organisational activities aimed at achieving strategic objectives, highlighting the importance of aligning individual and organisational efforts for effective goal attainment. Gutterman (2023) further maintains enterprises performance is extended beyond achieving target outcomes to meeting shareholders' expectations, which underscores the need for flexibility, strategic positioning and innovation in enterprise performance management. In contemporary business environments, Wakiso and Kinyua (2025) states enterprise performance as a strong influence of an organization to innovate and adapt new technological changes amidst of growing market competition at its advantage. This aligns with Shaba (2016) and Lang, Chukwu and Hassan (2023) who view performance as the ability of firms to consistently meet stakeholders' expectations, dividend consistency and ensuring long-term survival of company in a dynamic market. Furthermore, from an operational perspective, enterprise performances are measured in both financial and non-financial metrics describing not only financial value appreciation but also in terms of operational effectiveness and efficiency of organisational processes for perpetual succession.

In addition, Adusei, Tweneboah-Koduah and Osei-Assibey (2022) describe performance as the degree to which enterprise result or outcomes align with projected goals and enhance monetary value, whereas Pope, Muzenda and Leung (2021) assert performance to be system efficiencies and process effectiveness. Furthermore, enterprise performance is expressed in both quantitative and qualitative approach, offering insight into how well an organisation translates strategic plans into measurable achievements (Hariyati, Wahyuningsih and Surya, 2022). Similarly, Villanueva, Morales and Heredia (2022) interpret enterprise performance as perfected set of management activities, assessing outcomes, resource utilisation and stakeholder accountability in achieving corporate objective. Thus, these views describe enterprise performance as a multifaceted deliberate construct shaped by financial results, internal capabilities and external strategic alignment, enterprise competencies to maintain its reputation and goodwill for gaining competitive advantages.

2.2 Concept of Product Quality

In many industries, product quality is associated with reduced defect rates, process optimisation, and increased in operational efficiency, all of which have positively impact on enterprises financial and non-financial performance (Ghazali, Soon, Mutum & Nguyen, 2022). Meanwhile, modern enterprises are increasingly incorporating advanced technology, consumer feedback systems and continuous improvement practices as part of quality enhancement strategies. Though, Total Quality Management (TQM), automated inspection technologies and customer-driven design are among the quality management approaches that enable firms to deliver consistent, reliable and high-performing products (Tariq, Khan & Abbas, 2020). Beyond functionality, contemporary

delineations of product quality as integrate sustainability concerns, environmental scanning, conscious consumers demand preference, product durability and employee's safety must be sustained (Nair & Krishnan, 2021). Thus, firms that embed sustainable practices and quality assurance systems into product development are therefore better positioned to attract and retain customers, enhance reputation and strengthen competitive advantage to champion performance. To this, product quality refers to the effective and efficient delivery of goods and services timely, which meet or exceed customer expectations in terms of usability, reliability, durability, fitness for purpose purchased and value for money.

To this end, product quality is a key and central determinant of enterprise competitiveness and pivotal element for enterprise performance, customer satisfaction, bedrock for enterprises long-term survival within highly dynamic and competitive market environment. However, Ghazali *et al.* (2022) posit product quality as the ability of goods and services to deliver optimal value, comfort and satisfaction to consumers relative to their expenditure, positioning it as a core driver of customer preference. Similarly, Tariq *et al*. (2020) opine product quality as the unique value provided at customers preference that derive repetitive purchase experience, which strengthens loyal patronage and contributes significantly to organisational performance. Worthy to note, as global market competition intensifies, product quality has become an essential strategic tool for small enterprises seeking to retain customers and expand market share. Santos, Ramos and Almeida (2020) asserts that enterprises must consistently deliver superior quality to maintain brand relevance. While, Liu, Li and Tang (2021) highlight the direct influence of product quality on consumer loyalty, brand perception and positive word-of-mouth promotion. To this end, product quality is operationalized as a measurable degree to which a product consistently meets specified standards and customer expectations in terms of performance, reliability, durability, and conformance to design requirements.

2.3 Concept of Entrepreneurial Competencies

Entrepreneurial competencies refer to the knowledge, skills, attitudes, and abilities that enable entrepreneurs to effectively perform and sustain enterprise operations. Scholars view these competencies either as specific attributes, such as industry-related skills, technical expertise, and opportunity recognition, or as broader characteristics rooted in personal traits, experience, and learning (Albanus & Mwangi, 2020; Perez & Beauchesne, 2021). In developing economies such as Nigeria, these competencies are considered central to improving SEs performance, as they enhance entrepreneurs' capacity to innovate, recognise opportunities, and adapt to changing business environments (Migdadi, 2020; Dahiyat, Bontis & Jamal, 2023).

Furthermore, training, education, and continuous learning are widely recognised as key avenues for building entrepreneurial competencies. Leadership development, strategic vision, decision-making, team management, and knowledge sharing contribute to enterprise sustainability and long-term growth (Sharma & Gupta, 2022; Karanja & Mwangi, 2023). Recent studies further highlight the strategic value of digital competencies, including digital literacy, e-commerce, marketing analytics, and innovation management that helps enterprises maintain competitiveness in technologically evolving markets (Gammoh & Mahadevan, 2021; Yan *et al*., 2021). Nevertheless, these competencies collectively strengthen entrepreneurs' capacity to manage resources, satisfy customers, and enhance product and market performance. Thus, entrepreneurial competencies are therefore measurable set of knowledge, capabilities, skills, abilities, and

behaviors that enable an individual to effectively identify opportunities, mobilize resources, and achieve sustainable business performance.

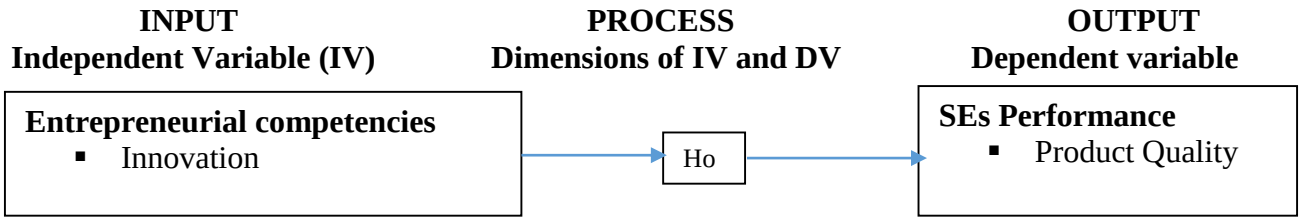
2.4 Concept of Innovation Competence

Innovation competence encompass the strategic, behavioural, and operational abilities that enable entrepreneurs to generate and apply new and novel ideas to enhance enterprise performance. They involve leadership commitment, employee engagement, knowledge management, technological literacy, and digital capability, which increasingly shape how SEs adapt and scale in rapidly changing environments (Khin & Ho, 2020; Rahman, Ali & Singh, 2023). When effectively leveraged, these competencies foster improved efficiency, customer satisfaction, and market competitiveness (Cheng *et al.*, 2024). Furthermore, innovation also reflects an entrepreneur's willingness to adopt new technologies, experiment ideas and modernise products or processes, thereby creating new opportunities and strengthening enterprise reputation (Baum, Frese & Baron, 2017; Nguyen & Nguyen, 2022). To these statements, thorough creativity, research and development and continuous product improvement efforts, innovation competence will support SEs in responding to customer needs, introducing new products and services and sustaining long-term growth (Ahmad, Halim, & Zainal, 2021). Accordingly, innovation competence are therefore novel ideas, creative experience, unique information, identifiable knowledge, marketable skills and abilities that enable an individual or firm to generate, develop, and implement new ideas, processes, products, or services that create value and improve performance.

2.5 Research Conceptual Model

The conceptual model below shows the diagrammatical relationships between the entrepreneurial innovation competence and performance of SEs, as demonstrate below:

Figure 1: Conceptual model



Source: Researchers' Conceptualization (2025)

2.6 Empirical Literature Review

Ego and Desmiyawati (2021) conducted a survey in Bengkalis Regency, Indonesia, to evaluate the effects of human resources competence, and innovation on performance of SMEs post-COVID-19. The study's sample size was 100 SMEs and data were analysed using multiple linear regression. The study found human resource and innovation competence have a positive and significant effect on the performance of SMEs. Although, the studies over reliance on a small sample size and single data collection method has limited its generality to other regions. Furthermore, Simon (2023) examines the effect of entrepreneurial innovation competence on performance of SMEs from an industry ecosystem perspective in Kenya. The study used a cross-sectional survey with 52 valid responses, employing factor analysis for exploratory and inferential analysis. The study found

entrepreneurial innovation competence have a positive and significant effect on performance of SMEs. The study's concentration to Kenya and innovation as a mediator and small sample size may limit its broader applicability and relevance to other contexts.

In addition, Manyo *et al.* (2024) explored the impact of entrepreneurial competencies, specifically innovativeness and creativity, on quality service delivery among entrepreneurs in Calabar, Nigeria. Employing a survey design, data were gathered from 500 entrepreneurs registered with the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN). Principal Component Analysis revealed that entrepreneurial innovativeness and creativity have a positive and significant contribution to service quality. The study's focus on service delivery may limit its applicability to other products.

However, Turulja, Smajlović and Šimičević (2025) examined the impact of entrepreneurial competencies, which includes opportunity recognition and innovativeness**, on** business model innovation and value proposition performance among 267 managers of medium and large firms in Bosnia and Herzegovina. The study adopted a survey research design and data were analyzed using Structural Equation Modeling (SEM). The study found entrepreneurial competencies significantly enhance innovation outcomes, particularly in improving firms' value creation and product-market performance as firms with stronger innovation-related competencies were better able to design improved offerings and strengthen competitiveness in dynamic markets. Though, the study focus was limited to medium and large firms limiting it applicability to small enterprises in Niger State.

Similarly, Ogaga-Oghene, Yalokwu, and Omankhanlen (2025) investigated the relationship between entrepreneurial innovation capability and product innovation performance in food and beverage SMEs in Nigeria. The study adopted a survey design using structured questionnaires administered to managers of selected firms with a population of 672 and sample size of 353. Data were analyzed using regression techniques. The study found that entrepreneurial innovation competence significantly influences product innovation performance and quality outcome**s**, indicating that firms with stronger innovation capabilities achieve higher product differentiation, improved quality standards, and stronger competitive positioning in the market. This study's fucus to only food and beverages SMEs limits its generality to SMEs. Anwar, Clauss, and Issah (2025) examined the role of entrepreneurial competencies such as innovativeness, opportunity recognition, and analytical thinking **on** firm performance and market-related outcomes among SMEs in emerging markets in Pakistan. The study used a quantitative survey design with data collected from 316 managers, and analyzed using Structural Equation Modeling (SEM). The results revealed that entrepreneurial innovation competence significantly improve firm performance indicators including market share, customer attraction, and product-market competitiveness, with opportunity recognition acting as a key driver of performance outcomes. This investigation outcome cannot be applicable to SEs in Niger State, Nigeria because of the geographical diversity.

2.7 Theoretical Framework

Entrepreneurial competencies have some related theories. Among are Innovation Theory (IT) by Schumpeter Joseph Alois in 1934, Resource-based View theory (RBV) by Edith Penrose in 1959, Theory of Planned Behaviour (TPB) by Ajzen Icek in 1991, Human Capital theory (HCT) by Gary Becker in 1964, Entrepreneurial Orientation (EO) Theory by Miller in 1983, Dynamic Capabilities

Theory (DCT) David Teece, Gary Pisano, and Amy Shuen in 1997, and Social Capital Theory (SCT) by Pierre Bourdieu (1986) and Robert Putnam (2000).

However, Innovation theory (IT) underpins the study, because of its relevancy and peculiarity to how innovation competence drives to produce product quality. Thus, IT first articulated by Schumpeter (1934), who explains how new ideas, products, and processes are developed, commercialised, and adopted to drive economic growth and enterprise transformation. Schumpeter emphasized innovation as the engine of *creative destruction*, where new technologies replace old ones and create new industries. He explains entrepreneurial creativity, risk-taking, and problem-solving enhances (Tidd et al., 2005; Acs & Audretsch, 2003). Rogers' diffusion of innovation theory further adds a sociological dimension, explaining how innovation adoption depends on relative advantage, compatibility, complexity, trial-ability, and observability, and how individuals adopt innovations at different rates (Rogers, 1962; 2003).

Nevertheless, innovation theory underscores the central role of the entrepreneur as an innovator rather than merely an inventor; it has limitations, including its strong emphasis on innovation at the expense of risk-taking and organisational capabilities, and its assumption that highly innovative entrepreneurs are readily available in all contexts. Despite these limitations, the theory remains foundational in explaining how entrepreneurs create new combinations, drive economic development, and sustain competitive advantage, forming a core framework for modern enterprise strategy and performance.

3. METHODOLOGY

The study adopted quantitative research design through a survey research method. This is because primary data were obtained through questionnaire instrument. Questionnaire is efficiency, cost-effectiveness and suitability for obtaining large volumes of unbiased quantitative data. The population of study is 968 registered small enterprises (SEs) across 25 LGAs in Niger State (Niger State Small, Medium Enterprises and Micro-finance Agency-NSSME & MFA, 2025; United Nations Development Programme- UNDP, 2025).

A sample size of 275 SEs was determined using Krejcie and Morgan's (1970) formula, ensuring precision and confidence in sampling. Thus, Krejcie and Morgan's (1970) formula is expressed as follows: The formula is expressed as S =X^2 NP (1 – P) ÷ d^2 (N-1) + X^2 P (1 – P), Where S = required sample size, X^2 = Chi-square value for 1 degree of freedom at the desired confidence level (3.841), N = the population size (968), d = the degree of accuracy expressed as a proportion (0.05) and P = the population proportion (assumed to be 0.5 since this would provide the maximum sample size). The formular is further simplifies as $S = \frac{X^2 \text{ NP } (1 - \text{P}))}{\text{d}^2(N-1) + X^2 \times P\ (1-P)}$, hence by substituting the value then $S = \frac{3.841\ (968 \times 0.5)\ \ (1 - 0.5))}{0.05^2(968 - 1) + 3.841 \times 0.5\ (1-0.5)}$, $= \frac{3.841(484\ )\ \ (0.5)}{0.0025\ (967) + 3.841 \times 0.5\ (0.5)}$

$S = \frac{3.841\ (242)}{2.4175 + 3.841\ (0.5)\ (0.5)}$, $= S = \frac{929.522}{2.4175 + 0.96025}$ $S = \frac{929.522}{3.37775} = 275.18$

Approximately 275 was determined as the sample size. Furthermore, stratified random sampling technique was applied to derive the number of SEs selected as a stratum from each LGA of the State, followed by simple random sampling to give each registered SEs from the stratum an equal opportunity to be selected by applying "Table of Random Sampling Numbers".

Data were collected using structured, closed-ended questionnaire, divided into demographic, entrepreneurial competencies and performance under five-point Likert scale to ensure clarity, respondent convenience, and ease of quantitative analysis. In addition, measurement variables statements were adapted from (Mohammed, 2022). Thus, expert validation established by group of professors and professional managers on the content validity of the instrument, while the Cronbach's alpha coefficients of 0.896 and 0.888 for innovation competence and product quality was confirmed using SPSS Version 27 with strong internal reliability consistency, suitable for further analysis.

In addition, descriptive and inferential statistical techniques were employed for data analysis. Descriptive analysis involved frequencies, percentages, means, and a grand mean with benchmark of 3.0, to interpret levels of agreement on variables statements. While, inferential analysis was the application of linear regression results of the hypothesis testing, which examines the strength and significance effect of entrepreneurial innovation competence on performance of SEs in Niger State, Nigeria.

The model specification

The general structural model of linear equation is; $Y = \alpha + \beta X + \epsilon \ldots\ldots\ldots\ldots (1)$ where: Y, represents dependent variable: **PQ** = product quality. The α= alpha and constant, while, X is a vector of explanatory independent variable, which represents: Innovation (*inn*) and, $\epsilon =$ error term. Hence, simple linear regression is best suitable for the two variables of measurement for determining the effect of entrepreneurial innovation competence (*inn*) on product quality (*PQ*), which previous studies in Niger State less explored. Therefore, $PQ = \alpha + \beta inn + \epsilon \ldots\ldots (2)$.

4. RESULTS AND DISCUSSIONS

Data collected, computed and analysed with aid of regression statistics. Hypotheses are tested to draw conclusion and make decision.

4.1 Response Rate

This part presents response rate of questionnaire distributed to the respondents

Table 1: Rate of Response by the Respondents

Questionnaire	Respondents	Percentage (%)
Administered and Returned	273	99
Not Returned	2	1
Total Distributed	275	100

Source: Field Survey, 2025

Table 1 shows a total number of two hundred and seventy-five (275) copies of questionnaire were administered and two hundred and seventy-three (273) representing 99% of the responses were successfully received, while two (2) copies of questionnaire, representing 2% were not returned for data presentation, interpretation and analyses.

4.2 Normality Test

The data normality test result of all the variables shows P = 0.000 < 0.05, which are normal.

Table 3: Normality Test

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Innovation Competencies	0.144	273	0.000	0.922	273	0.000
Product Quality	0.140	273	0.000	0.923	273	0.000

Source: Authors' Computation (2025) using SPSS Version 27

Table 3 shows that the data normality test result of all the variables and P value is less than 0.05 (P < 0.05) which is normal.

4.2 Inferential Statistics

This aspect is the inferential statistics that are used to test the hypothesis and draw conclusons

H_0: Entrepreneurial innovation competence has no significant effect on product quality of SEs in Niger State, Nigeria.

Table 4: Inferential Statistics

Model Summary[b]					**Analysis of Variance (ANOVA)**				
Model	**R**	**R Square**	**Adj. R-Square**	**Durbin-Watson**		**df**	**Mean Square**	**F-Stat.**	**Sig.**
1	.408[a]	0.166	0.163	1.863	Regression	1	11.824	54.096	0.000[b]
					Residual	271	0.219		
					Total	272			

Regression Coefficients

Coefficients[a]	Unstandardized Coefficients		Standardized Coefficients		
	B	**Std. Error**	**Beta**	**T-Stat.**	**Sig.**
(Constant)	2.356	0.259		9.11	0.000
Entrepreneurial innovation competence	0.432	0.059	0.408	7.355	0.000

a. **Predictors:** (Constant), Entrepreneurial Innovation Competence
b. **Dependent Variable:** Product Quality (PQ)
Source: Authors' Computation (2025) using SPSS Version 27.

The Table 4 is the inferential statistics showing model summary, Analysis of Variance (ANOVA), and regression coefficients. The regression model $PQ = \alpha + \beta Inn + \epsilon$ is now interpreted as PQ = 2.356 + 0.432 + 0.256. Thus, linear regression model of fitness assessing the effect of entrepreneurial innovation competence on product quality indicates a weak but positive significant effect of entrepreneurial innovation competence on product quality of SEs in Niger State, Nigeria with positive R = 0.408 indicating a direct association between the two variables. The R^2 = 0 .166 reveals entrepreneurial innovation competence is explaining 16.6% of the variation in product

quality among small enterprises in Niger State, while the Adjusted R Square of 0.163 confirms this explanatory power. Although this proportion is modest, it demonstrates that entrepreneurial innovation competence is a meaningful predictor of product quality in the context. The ANOVA result (F-Statistics = 54.096, p = 0.000 < 0.050) further establishes, the model is statistically significant, meaning entrepreneurial innovation competence is a predictor and contribute more to explaining product quality than random variation alone. The Durbin–Watson value of 1.863, being close to 2.0, indicates no concern for autocorrelation, suggesting that the model residuals are independent and the model estimates are statistically trustworthy.

Also, Table 4 indicates regression coefficient. The regression result provides explicit evidence of the positive effect of entrepreneurial innovation competence on product quality. The unstandardized coefficient (β = 0.408, t = 7.355, p = 0.000 < 0.050**)** indicates that for every one-unit increase in innovation competency on the 5-point Likert scale used, product quality increases by 0.432 units, demonstrating a practically relevant effect. The standardized coefficient (Beta = 0.408) confirms a moderate effect size, and the predictor's statistical strength is reinforced by the t-value of 7.355 and p-value = 0.000 < 0.050, indicating that the effect is significant and unlikely to be due to other competencies. The constant term **(**2.356**)** represents the estimated level of product quality when innovation competency is theoretically zero, though this serves mainly as a statistical anchor rather than a practical scenario. Overall, the results allow for a clear conclusion: the null hypothesis (HO) stating that entrepreneurial innovation competence has no significant effect on product quality is rejected, despite the low significance**.** The evidence strongly supports that higher entrepreneurial innovation competence meaningfully enhance the product quality of SEs in Niger State.

4.3 Discussion of Findings

The findings of this study provide weak evidence that entrepreneurial innovation competence significantly enhance product quality among small enterprises in Niger State, aligning with substantial empirical literature. The model indicates that entrepreneurial innovation competence accounts for a meaningful proportion of the variance in product quality and that increases in entrepreneurial innovation competence led to statistically significant improvements in product quality. Thus, this result is consistent with Ego and Desmiyawati (2021), who found entrepreneurial innovation competence to significantly improved SME performance in Bengkalis Regency, demonstrating innovation as a central driver of post-pandemic enterprise resilience. Similarly, Simon (2023) found entrepreneurial innovation competence positively influence SME performance in Kenya, reinforcing the notion that innovation empowers firms to adapt within dynamic industry ecosystems. The current finding also mirrors the work of Manyo *et al.* (2024), Turulja, *et al.* (2025), Ogaga-Oghene, *et al.* (2025) and Anwar *et al.* (2025) whose studies established entrepreneurial innovativeness and creativity significantly enhance product/service quality, illustrating the universal role of innovation in strengthening value creation across business sectors. Therefore, the consistency of the present result with these empirical reviews confirms that entrepreneurial innovation competence is a critical determinant of product quality and a strategic capability that small enterprises must cultivate to remain competitive, adaptive, and performance-driven.

5. CONCLUSION AND RECOMMENDATIONS

In determining the extent to which entrepreneurial innovation competence affect the product quality of Small Enterprises in Niger State, Nigeria. This study concludes that entrepreneurial innovation competence has a significant and positive effect on product quality of SEs in Niger State, Nigeria. To this end, enhancing entrepreneurial innovation competence is essential and key for sustaining competitiveness, improving product standards, and strengthening overall enterprise performance.

Based on the findings, the study recommends SEs managers/owners should invest more in capacity-building and modernisation training programmes for digital innovation inclusion, strengthen networking among industrial partners and collaborative engagements. This can be done through research institutions and international partners and keying into government supportive policies and programmes to foster innovation-driven capacity for an effective competitiveness, product development/standardization and quality assurance.

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