

The impact of innovation management on high growth entrepreneurship in some selected SME's in Nigeria.

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Abstract- The broad aim of this research is to analyse the impact of innovation management on high growth entrepreneurship in selected SME of Nigeria. As the growth of SMEs in Nigeria is intense, new entrepreneurs need innovative ideas for starting a new business. So an analysis of innovation management for identifying its importance on the high growth entrepreneurship in SME has been conducted with this research. To conduct this study, the researcher used different literatures related with this research topic to identify and analyse factors relating to this and the effectiveness of this. The researcher accessed 20 persons as sample with a well structured questionnaire to collect required information on this regards. After proper analysis and reports from the collected data analysed statistically, the researcher identified that there is a high requirement of innovation management in SME industry of Nigeria for the entrepreneurs to invest and to sustain.

Index Terms- SME, Innovation management, Innovation types, GDP.

I. INTRODUCTION

The power of SME has been noticed by the government authority in developing countries where this contributes much to the economy of a developing country. Like other developing countries, the government of Nigeria has been initiating different programs for enhancing its economy through industrialisation. In this context, the increased interest on SME has been contributing with a large portion i.e. 48.47% to national GDP (Are et al., 2019). And thus, the importance of SME has been increasing along with the initiating activities by young adults to start their careers in this sector. The young entrepreneurs are orienting toward establishing small and medium enterprises where they are now experiencing a highly competitive market (Are et al., 2019). So they should assess the importance of innovation management to make contribution to the high growth SME entrepreneurship of Nigeria and to create a position in this sector. As the economy of Nigeria is now being dominated by SME, the investment in this sector is on the rise. The SMEs in agriculture, industry and services contribute to the economy where a large investment is incurred in service sector. For getting the opportunities of SME business and creating a position in this sector, the entrepreneurs should assess the importance of innovation and implement the innovation management while initiating any small and medium enterprises (Božić and Rajh, 2016). So a proper study should be developed to analyse the importance and the impact of innovation

management in the high growth entrepreneurship in SME of Nigeria.

II. AIM OF THE RESEARCH

With the proper analysis and results, the researcher has aimed at identifying the importance of innovation management in entrepreneurship in SME. The broad aim of this research is to analyse the impact of innovation management on high growth entrepreneurship in selected SME of Nigeria.

III. OBJECTIVES OF THE RESEARCH

To achieve the aim of the research, some objectives have to be developed and attained by the researcher. In this context, some objectives of this research are mentioned below:

- To identify the importance of innovation in SME of Nigeria
- To find out types of innovation that can affect the entrepreneurship in SME of Nigeria
- To find out the impact of innovation management on high growth entrepreneurship in selected SME of Nigeria

IV. RESEARCH QUESTIONS

- What is the importance of innovation in SME of Nigeria?
- How do different types of innovation can affect the entrepreneurship in SME of Nigeria?
- What is the impact of innovation management on high growth entrepreneurship in selected SME of Nigeria?

V. RESEARCH HYPOTHESIS

- **H₀**; There is no significant impact of innovation management on high growth entrepreneurship of SME in Nigeria.
- **H₁**; There is significant impact of innovation management on high growth entrepreneurship of SME in Nigeria

VI. LITERATURE REVIEW

Some published literatures have been studied and analysed relating to this research topic for getting insight, understanding and way of result finding have been discussed below:

VII. ROLE OF SME SECTOR IN NIGERIA

Nigeria, a developing country, has been trying to get out from the economic bindings and constraints relating to its low growth economy. In this context, the government of Nigeria has provided much support and initiated different programs to encourage young adults for investing in different SMEs (Are et al., 2019). With the initiative the government has experienced overwhelming results in recent years where this sector contributes to the national economy of Nigeria with 48.47% approximately (Are et al., 2019). Entrepreneurs of this country have been investing most in service sector other sectors such as agriculture, industry etc. where this sector hold around 84.06% employment of this country (Abbakin, 2019). It is also reported that in near future about 37 million new jobs will be created through flourishing of SME (Abbakin, 2019). So the economy of Nigeria is largely dependent on SME sector and thus such enterprises have been mushrooming everywhere. In this context, an effective innovation program should be assessed and practiced by the entrepreneurs to manage their business properly and to attain desired success.

VIII. IMPORTANCE OF INNOVATION IN SME OF NIGERIA

As the economy of Nigeria is largely dependent on SME sector and thus such enterprises have been mushrooming everywhere. So a highly competitive industry is created with the advancement of such programs of encouraging people to become entrepreneurs in SME sector. According to Wonglimpiyarat, (2016) to sustain and get success in this highly competitive industry, the entrepreneurs should practice innovation and manage the innovation efficiently. They should analyse the different sectors of SME industry and implement innovation in one of the promising sector. For example, while investing in service sector, the entrepreneurs should apply innovation and manage this efficiently for attaining success and profit. Y, (2016) stated that analysing present condition of high growth SME industry of Nigeria, innovation management is the only solution to attain a position, create identify and maximise profit to contribute the economy.

IX. TYPES OF INNOVATIONS AFFECTING SME

From a deep analysis four types of innovation can be identified such as architectural innovation, radical innovation, disruptive innovation and incremental innovation which can be used for investment in SME of Nigeria. Odunayo, (2014) stated

that by applying architectural innovation one has to identify new market with existing technology, by disruptive innovation existing market can be accessed with new technology. He also added that radical innovation suggest to find new features in new market with new technologies and incremental innovation suggest to find opportunities in existing market with existing technology. So by analysing these four types of innovation, the entrepreneurs should apply one type by assessing the opportunity of market and current condition of this industry.

X. IMPACT OF INNOVATION MANAGEMENT ON SME

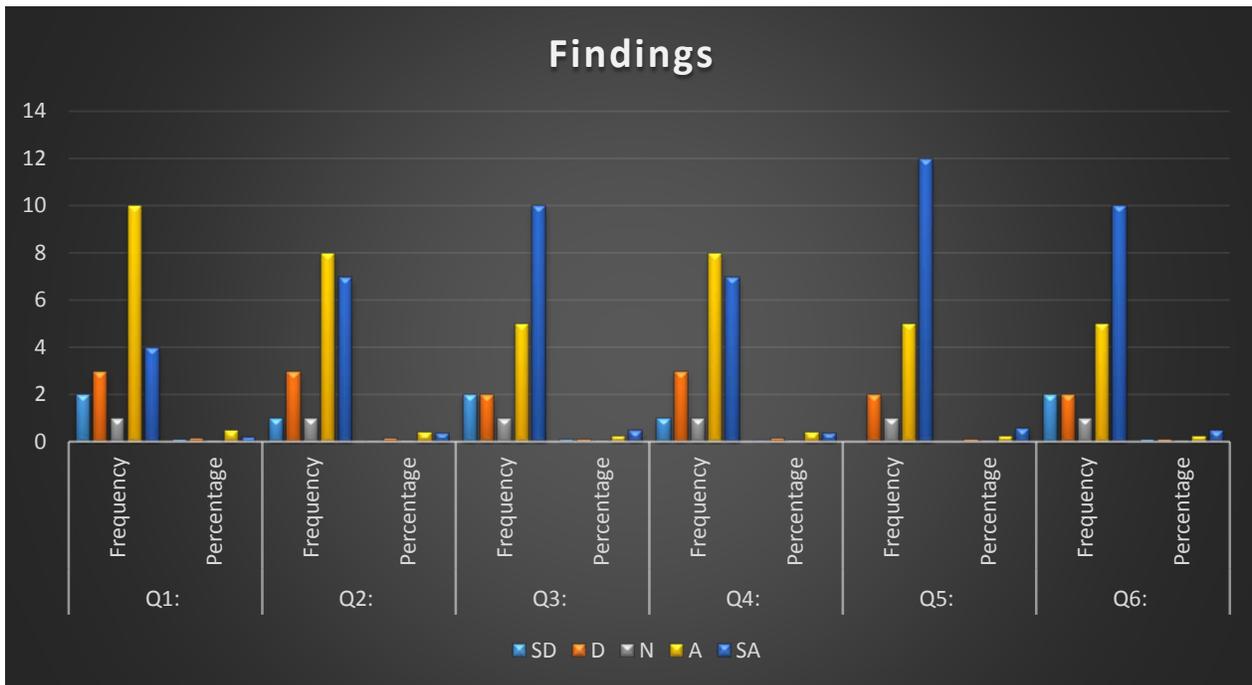
According to Dahlstrand and Stevenson, (2010) with the effective implementation of innovation in small and medium enterprises an entrepreneurs can attain success in achieving desired goals where they should ensure effective management of innovation. To create a position in market and to attract customers, entrepreneurs should invest in some innovative business idea. As the SME sector of Nigeria is large enough and contributes highly to economy, it is found highly competitive. In such condition, new entrepreneurs of this sector should come with innovation on services, products and business operation along with design which will ensure success. For achieving the required success from SME in Nigeria where there is found intense competition nowadays (Dahlstrand and Stevenson, 2010). So by proper management of innovation in establishing any small and medium enterprise, the entrepreneurs should use innovation program and manage the innovation effectively. Chen, Lin and Chu, (2012) stated that for the required success to attain in this high growth SMEs of Nigeria, the entrepreneurs should assess the importance of innovation and invest in this sector on different innovation ideas. In finding out the required results from this sector, the entrepreneurs need to think innovatively where they will be able to assessing the importance and impact of innovation management on SMEs of Nigeria.

XI. METHODOLOGY

For conducting this research article, the researcher selected quantitative research method where he used frequency and percentage analysis to analyse data. In addition, he also used tables and graphs to show the responses of the questionnaire. In the analysis of the collected data, the researcher used statistical package for the social sciences (SPSS) to develop the analysis and present analysis statistically. For collecting required data, the research selected 20 persons who are entrepreneurs in SME sector of Nigeria where they were selected using simple random sampling technique. To get responses and to collect quantitative data from them a questionnaire was developed using 5 point Likert scale. However, the research also used Pearson chi square for identifying the relationship between variables of this study.

XII. FINDINGS AND RESULTS

Questions		SD	D	N	A	SA	Total
Q1: Do you agree that innovation management as a tool that affect SME?	Frequency	2	3	1	10	4	20
	Percentage	10%	15%	5%	50%	20%	100%
Q2: Do you agree that different types of innovations are required to use while investing in any SME?	Frequency	1	3	1	8	7	20
	Percentage	5%	15%	5%	40%	35%	100%
Q3: Do you agree on the fact that to get customers and to sustain in the high growth SME sectors innovation management is highly required?	Frequency	2	2	1	5	10	20
	Percentage	10%	10%	5%	25%	50%	100%
Q4: Do you agree that innovation management has much impact on entrepreneurs of SME in Nigeria?	Frequency	1	3	1	8	7	20
	Percentage	5%	15%	5%	40%	35%	100%
Q5: Do you agree that due to innovation management there is growing number of entrepreneurs enter into SME in Nigeria?	Frequency	0	2	1	5	12	20
	Percentage	0%	10%	5%	25%	60%	100%
Q6: Do you agree that innovation management positively impact on developing entrepreneurs in the SME industry in Nigeria?	Frequency	2	2	1	5	10	20
	Percentage	10%	10%	5%	25%	50%	100%



The findings show that innovation management is a tool that positively impact SME in Nigeria. The researcher found that different types of innovations are required to use while investing in any SME and to get customers and to sustain in the high growth SME sectors innovation management is highly required. The research also found that innovation management has much impact on entrepreneurs of SME in Nigeria and due to innovation management there is growing number of entrepreneurs enter into SME in Nigeria. In addition, this research figured out that innovation management positively impact on developing entrepreneurs in the SME industry in Nigeria.

XIII. RECOMMENDATIONS

Through proper analysis and discussion, the researcher has identified some recommendations to be developed for this study and they are:

- The entrepreneurs should be encouraged to think about innovation management.
- A culture of innovative thinking and implementation needs to be created.
- They should be educated with proper training about the innovation management process and types of innovation
- To ensure sustainability of the recent growth in SME sector, the government should encourage entrepreneurs to use innovations in business development.
- For developing proper innovative ideas and its implementation, entrepreneurs should be trained properly.
- All the possible sectors of SME should be brought under innovation management program for increasing investment.

XIV. CONCLUSION

The researcher has developed this study to analyse the importance and the impact of innovation management in the high growth entrepreneurship in SME industry of Nigeria. With proper analysis of different literatures and collected data through questionnaire, the researcher has found a positive relationship between innovation management and entrepreneurship in SME. The researcher can state the fact that in this high growth sector of Nigeria requires innovative ideas to be invested with for future

growth. Though some effectiveness has been found through this research study, a further investigation and research is highly required because the researcher experience limitation in time, cost, resources etc.

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