ENVIRONMENTAL FACTORS AND ENTREPRENEURIAL PRODUCTIVITY OF SELECTED HOSPITALITY FIRMS IN DELTA STATE, NIGERIA

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Abstract
The general objective of the study is to examine the environmental factors that affect entrepreneurial productivity in Asaba, Delta State. Survey research design was adopted in the study. Data was obtained from 25 hospitality firms in the study area. Two hundred and fifty three (253) respondents sampled from a population of one thousand (1000) hospitality firm owners, managers and workers was used for the analysis. The probability sampling technique was employed for the selection of the respondents. The statistical tools used for the analysis of the data includes; descriptive characteristics of data, group correlation methods and multiple regression test conducted to test hypotheses formulated using stata version 13.0 software. The result show that; Environmental factors have significant positive relationship with entrepreneurial productivity. The study concluded that the role of environmental factors on entrepreneurial productivity is very important in enhancing the socio-economic well-being of the people. This study thus recommends that entrepreneurs in hospitality firms should encourage social events within the society that they operates, so as to increase their patronage and enhance firm’s profitability. The study contributes to knowledge by reaffirming that economic factors would have an effect on entrepreneurial productivity.

Key words: Entrepreneurship; productivity; environment; hospitality; Asaba; Delta State; Nigeria.

1. Introduction
1.1 Introduction to the Study
Business organizations all over the world operate within an environment which is an aggregate of all conditions, events, circumstances and influences that surround and affect
the business organizations. Aduga, (2013) posited that environment refers to the societal structures and phenomena which determine and influence business activities. These structures are often classified into social, economic, political, physical and legal. Other environmental variables include the availability of labor and the conditions of employment, the nature of demand and supply for goods and services, the government and its policies and actions, the various laws and their administrative system, etc. All of these variables constitute the environment of business.

Environment is the prevailing atmosphere for investing and producing, and for buying and selling. It deals with the general pattern of the economy, changing prices and price levels, income level, labor which vary with time. The contemporary environment is becoming dynamic and competitive, therefore business organizations irrespective of their objectives must take into account its environmental opportunities and constraints in the ever changing environment (both internal and external) in which managers operate. In accordance with Onwukwe and Ifeanacho (2011), the business environment includes firm’s improvement in competition and owners, market, technology, laws and government policy, social and economic trends. Business environment as defined by Obiwuru, Oluwalaye and Okwukwe (2011) comprises the totality of the external and internal situations that affect the survival and growth of businesses. Hence, the productivity of entrepreneurs is influenced by several environmental factors which determine its productivity. These factors include; technological environment, economic environment, social environment and political environment.

Entrepreneurship is an activity that concerns the exploration, assessment and usage of opportunities to present new commodities, methods, processes, and resources via un-established endeavor (Ogunlana, 2018). Entrepreneurship has contributed to economic development especially in the rural area. This has drawn a lot of attention on the concept over the past years, beginning from the economist analyst discovery that discovered that small firms contribute to economic development (Peter & Akinyede, 2017). Entrepreneurship has also been linked with economic freedom and is seen as a catalyst to economic growth. Entrepreneurial productivity has been identified as an essential indicator and a key component in economic growth. Hence, it has a significant role to play in employment generation, innovation, increasing sales, and diversification of the economy and reduction of unemployment (Carree & Thurik 2012). If a manager for instance knows only little about the business and customers, he will not be able to design the product that will satisfy their desires. If the level of demand is properly analyzed, there could be either over production or under production. For these reasons, accurate and timely information about the business environment is crucial to the successful management of any enterprise. Scholars have examined the relationship between environmental factors and entrepreneurial productivity. For instance, Sashilu (2015) examined the effects of environmental factors on small scale business performance. His finding revealed that small scale record low performances within the period studied and environmental factors have significant impact on their performance of SSBs. Adu (2016) examined the impact of the external business environment factors on performance of small scale and medium size enterprise. His finding concluded that the results showed a positive relationship between...
macro-environment factors on performance. Also Mahmood and Jabeen (2014) examined the effect of the external environment on entrepreneurial orientation and business performance relationship. In his study, he concluded that external environment have a considerable moderating effect on the link between entrepreneurial orientation and business performance.

From history, the concept of hospitality is about receiving guests in a spirit of goodwill, especially strangers from other lands. Hospitality implies warmth, respect and even protection; it builds understanding and appreciation among cultures and the industry comprises of various sub-industries and the purpose may vary slightly but the ultimate goal is to keep the guests happy by delivering a lasting experience and at the same time ensuring profitability (Aha, 2017, Kendall, 2018). Today, hospitality also refers to a segment of the service industry that includes hotels, restaurants, entertainment, sporting events, cruises and other tourism-related services. As such, the hospitality industry is important not only to societies but to economies, customers and employees. Hospitality generates revenue for local economies directly when tourists spend money in hotels, restaurants and entertainment venues. It also helps economies indirectly because tourists purchase retail goods, pharmacy items and locally made souvenirs and crafts. In addition, tourism can stimulate the building of infrastructure such as roads and public transportation. Also of economic importance are the jobs created by the industry. In 2017, the hospitality industry accounted for 313 million jobs worldwide, which translates to 9.9% of total employment and 20% of all global net jobs created in the past decade. Hospitality also supports jobs in arts and culture industries, keeping theaters and arts festivals thriving (Kendall, 2018).

1.2 The Study Problem
Despite the aim of creating programmes that will provide essential financial support to entrepreneurs, entrepreneurs are still experiencing challenges that affect the productivity of their businesses. These challenges range from banks rigorous conditions and policies on lending, discrepancy in government policies, over dependence of the country on oil. One of the mostly stressed of these challenges is the issue of multiple-taxation. Entrepreneurs in the country have a responsibility of funding the government through payment of taxes, most of the taxes charged on entrepreneurs are not legal and have sound effects on the cost of doing business. Nigerian Companies Income Tax Act (CITA) has accepted only 3% taxes and levies but there are over 500 different levies and taxes imposed by state and local government agents on entrepreneurs (Okezie, 2013). Realizing these challenges and more, it is necessary to ascertain the effect of these challenges on the productivity of entrepreneurial ventures. Thus, the analysis of how various factors in an entrepreneur’s business environment hinder the progress of their businesses comes into focus. This analysis is important for; effective management of these environmental factors and increased entrepreneurial productivity.

1.3 Objectives of the Study
The general purpose of this study is to determine the effect of various environmental factors on entrepreneurial productivity. Other specific objectives are to:

1. Assess the influence of economic factors on entrepreneurial productivity.
2. Examine whether social factors facilitates entrepreneurial productivity
3. Determine the effect of technological factors on entrepreneurial productivity
4. Ascertain the effect of political factors on entrepreneurial productivity.

1.4 Research Questions
1. To what extent do economic factors influence entrepreneurial productivity?
2. To what extent do social factors facilitate entrepreneurial productivity?
3. How significant is the relationship between technological factors and entrepreneurial productivity?
4. What is the extent of the interaction between political factors and entrepreneurial productivity?

1.5 Hypotheses
Ho1: There is no significant positive relationship between economic factors and entrepreneurial productivity.
Ho2: There is no significant positive relationship between social factors and entrepreneurial productivity.
Ho3: There is no significant positive relationship between technological factors and entrepreneurial productivity.
Ho4: There is no significant positive relationship between political factors and entrepreneurial productivity.

1.6 Significance of the Study
Previous studies in entrepreneurship focused on entrepreneurship roles in business and economic growth (Ogulala, 2018), and entrepreneurial development barrier (Springe, 2015). From literature available to the researcher, no study has been conducted to find out the environmental factors affecting entrepreneurial productivity of hospitality industries in the chosen study location. This study will bridge this research gap.

This study will have great impact on the management of the organization and also show the relevance of environmental factors on entrepreneurial productivity. Thus, the following will benefit from this study: It will help the business organizations to identify the problems that are attributable to environmental factors. Researchers will use this study as a reference point in future studies.

2. Review of Related Literature
Sahilu (2015) examined the effects of environmental factors on small scale businesses (SSBs) performance. The study was aimed at assessing the impact of environmental factors on the profit of SSBs. The descriptive research design was adopted and the primary source of data used was the questionnaire. The data collected were analyzed using Nacultivaried distinguish analysis and multiple regression techniques. The findings reveals that small scale businesses records low performances within the period studied and environmental factors have significant impact on their performances of SSBs. The study recommended that the government should create enabling environment for both existing and potential investors, through provision of adequate infrastructures, financial support and formulation of policies favorable to SSBs.
Adeeko (2017) examined external business environment and entrepreneurial performances of small and medium enterprises (SMEs). The study aimed at determining the influence of government/institutional support on job creation. The study employed survey design. The study population comprises SMEs registered with small and medium enterprises Development agency of Nigeria with the total of 4,535. The findings revealed that a good number of the SMEs operators had enterprises experiences. The conclusion was that there is a significant effect of infrastructural facilities on the SMEs sector. The study recommended that in order to enhance increase in revenue base of SMEs, the government should charge lower amount of tax payable.

Shobayo and Akinyede (2017) examined the influence of environmental factors on entrepreneurship development in Nigeria. The key objective was to assess environmental factors on entrepreneurship development. Primary data was adopted to general data from 87 managers and owners of business enterprise. The data generated were analyzed using correlation and regression analysis. Findings revealed that environmental factors have an overall significant effect on entrepreneurship development in Nigeria. Thus, it is recommended that communities should identity aspects of their culture that hinder entrepreneurship as the responsibility of the government.

Jonah, Aginah and Matin (2016) examined the implications of environmental factors on the productivity. The study took a descriptive survey approach and relied on a five point likert scale questionnaire as it major source of data. The study covered a population of 150 members of staff of three SMES were selected. A sample of 124 respondents was drawn using purposive sampling technique .The data gathered was analyzed using multiple regressions with the aid of 20.0 version of the statistical package for science(spss20.0).Results obtained from the joint test shows that environmental factors affects the productivity of SMES. The study recommended that SMES should strategically engage in constant monitoring and directing of environmental scanning.

David and Elisabet (2015) studied environmental factors and social entrepreneurship. The aim of this study was to analyze how environmental factors affect social entrepreneurial activity using linear regression analysis for a sample of 49 countries. The study concluded that social attitudes increase the rates of entrepreneurship.

Adu (2016) examined the impact of external business environment factors on performance of small and medium size enterprise. An empirical study. The key objective of the study was to examine the impact of the macro-environment factors. Data collected were analyzed using the statistical package for social scientists (SPSS). The survey was conducted on a total of 240 respondents. The finding concluded that the results showed a positive relationship between macro-environment factors on performance.

Adeoye and Elegunde (2012) carried out a study on impact of external business environment on organizational performance in the food and beverage industry in Nigeria. The aim of the study was to investigate influence of economic and political environment on organizational performance. The questionnaire was the instrument of data collection and was analyzed using multiple regressions. The result of the finding establishes that external business environment have impacted on organizational performance .Based on the result environmental scanning was recommended for organization.
Abdusalam and Mustapha, (2013) examined the influence of technological environmental factors on strategic choice of business organizations. It examined the relationship between technological factors and organizational choice of multi-product marketing strategies of quoted manufacturing firms operating in the food and beverage sector in Nigeria. Survey research design was used to collect the required primary data for this work and appropriate sample size determination formulae were used to arrive at six firms and 159 management staff for the investigation. The primary data was collected through a multi-options and likert scale questionnaire that was administered to the management staff of the six studied firms. The study utilized simple regression technique to analyze the data. The findings indicate that technological environmental factors prompted quoted manufacturing firms in the food and beverage industry to adopt multi-product marketing strategies. It recommends that responsible managers in Nigerian food and beverages industry desirous of success in their operating environment should pay particular attention to technological factor dynamism such as technological invention, advancement in technology, availability of the state of the art technology, nature of technological changes and diversity of technology in the manufacturing firms’ operating environment.

Mahmood and Jabeen (2014) examined the effect of the external environment on entrepreneurial orientation and business performance relationship. The duo found that entrepreneurial orientation and external environment are positively related and that this relationship significantly affects the business performance. The findings of the study show that external environment have a considerable moderating effect on the link between entrepreneurial orientation and business performance. The results of the study confirmed that entrepreneurial orientation is imperative for the firms’ survival as well as enhancing overall performance. Using the subjective performance measures, the study concluded that external factors are capable of determining the failure and success of the firm.

2.1 Gap in the Literature
Previous studies in entrepreneurship focused on entrepreneurship roles in business and economic growth (Ogulala, 2018), and entrepreneurial development barrier (Springe, 2015). From literature available to the researcher, no study has been conducted to find out the environmental factors affecting entrepreneurial productivity of hospitality industries in the chosen study location. This study will bridge this research gap.

3. METHODOLOGY
3.1 Research Design
The survey research design method was adopted. This method was considered to be suitable for the study because it does not only judge the sample size of the population under study, but also ensures that the resultant sample sufficiently represents the population.

3.2 Area of the Study
The study covers hospitality industries; Grand Hotel, Orchid Hotel, Neros Hotel, Step suite Hotel, Asabena Hotel, Benizer Hotel, Hotel Desonia, Creme Beach Hotel, Glass House Hotel, Leisure Hotel, Sky Hotel, Mini Garden Hotel, Royal infinity Hotel, Little Pop Hotel, Standby Hotel, Becky Hotel, Royal Court Hotel, Stenless Hotel, Mini Garden, Royal Infinite hotel, Little pop Hotel, Standy Gold hotel, Leisure Castle Hotel all located in Asaba, Delta State.
3.3 Sources of Data
Primary sources of data was used in this study. The primary data records used for this study were responses generated from the respondents through questionnaire. Question were scaled on a five point adjusted Likert scale.

3.4 Population of the Study
The population of the study consists of twenty-five (25) hospitality industries in Asaba, Delta State. The choice of the hospitality industry was predicated on the ability to generate revenue for local economies when tourists patronize hotels, restaurants, entertainment venues, retail goods, pharmacy stores, locally made souvenirs and crafts. The population of the study comprise of 1000 owners, managers and staff of the selected hotels.

3.5 Sample Size
The sample size was derived using Taro Yamani’s formula.

\[ n = \frac{N}{1+N(e)^2} \]

Where: 
- \( n \) = the sample size
- \( N \) = the population of study
- \( e \) = level of significance (0.05)

\[ n = \frac{1000}{1+1000(0.05)^2} \]
\[ n = \frac{1000}{1000 \times 0.05^2} \]
\[ n = \frac{1000}{3.5} \]
\[ n = 286 \]

Therefore, a total of 286 respondents were selected from the owners, managers and staff of the selected hotels. These respondents were issued questionnaire to elicit information of the study data. However, out of the 286 copies of the questionnaire distributed, 253 copies were duly filled and completed.

3.6 Test of Validity
Content validity was undertaken to ascertain if the content of the questionnaire was appropriate and relevant to the study’s objectives.

3.7 Reliability of the instrument
Test retest was conducted to test the reliability of the research instrument. Thirty participants were used to establish this reliability and three weeks administration interval was observed. A test retest reliability coefficient of 0.75 was obtained.

3.8 Data Analysis Technique
The data collected was analyzed using stata statistical software. Simple percentages, correlation and regression analysis methods were adopted to establish the relationship between study variables.
Model specification
Environmental Factors = F (entrepreneurial productivity)
EMPRD = B₀ + B₁ Ecofa + B₂ Scofa + B₃ Tecfa + B₄ Culfa + U

Where
EMPRD = Entrepreneurial productivity
ECOFA = Economic factor
SCOFA = Social factor
TECFA = Technological factor
CULFA = Political factor
B₀ - B₄ = Coefficient of regression
U = Stochastic variable or Error term

4. Data Presentation, Analysis and Discussion of Results
Data Presentation
The data presented and analyzed in the study are in two parts; the first is the descriptive analysis of respondent profile with percentage weighting attached; the second is testing of hypothesis formulated for the study.

Table 2 Descriptive Characteristics of Data Collected

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Min</th>
<th>Max</th>
<th>Mean</th>
<th>P50</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECOFA</td>
<td>253</td>
<td>1</td>
<td>5</td>
<td>3.78</td>
<td>4</td>
</tr>
<tr>
<td>SCOFA</td>
<td>253</td>
<td>1</td>
<td>5</td>
<td>3.75</td>
<td>4</td>
</tr>
<tr>
<td>TECFA</td>
<td>253</td>
<td>1</td>
<td>5</td>
<td>3.85</td>
<td>4</td>
</tr>
<tr>
<td>CULFA</td>
<td>253</td>
<td>1</td>
<td>4</td>
<td>3.86</td>
<td>4</td>
</tr>
<tr>
<td>EMPRD</td>
<td>253</td>
<td>1</td>
<td>5</td>
<td>4.05</td>
<td>4</td>
</tr>
<tr>
<td>VALID N</td>
<td>253</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 2 shows the descriptive properties of data set used for analysis. The construct has a maximum of 5 indicating that the respondents strongly agreed at some point for all the questions asked, while the minimum of 1 for the construct indicating the dimensions of environmental factors. On the average the respondent chooses 4 (Disagree).

Table 3. Multiple regression analysis of study hypotheses

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>T</th>
<th>T.Sig.</th>
<th>Result of Ho</th>
<th>Result of H₁</th>
</tr>
</thead>
<tbody>
<tr>
<td>HO1</td>
<td>2.87</td>
<td>.004</td>
<td>rejected</td>
<td>accepted</td>
</tr>
<tr>
<td>HO2</td>
<td>2.34</td>
<td>.020</td>
<td>rejected</td>
<td>accepted</td>
</tr>
<tr>
<td>HO3</td>
<td>5.06</td>
<td>.000</td>
<td>rejected</td>
<td>accepted</td>
</tr>
<tr>
<td>HO4</td>
<td>5.29</td>
<td>.000</td>
<td>rejected</td>
<td>accepted</td>
</tr>
</tbody>
</table>

The results of table 3, reveals that there is positive correlation analysis involving the dimensions of environmental factors and measures of entrepreneurial productivity.

Test of Hypotheses
In other to validate the earlier stated hypotheses, the critical level of significance was set at 0.05, being the least level of committing a type one error.
Hypothesis One
Ho: There is no significant positive relationship between economic factors and entrepreneurial performance.
Ho₁: There is a significant positive relationship between economic factors and entrepreneurial performance.

The findings as indicated in the table 3 reveals that the exact level of significance (0.004) is less than the probability of committing a type one error (0.05). Thus, the null hypothesis was rejected and the alternative hypotheses which states that there is statistical significant positive relationship between economic factors and productivity accepted.

Hypothesis Two
Ho: There is no significant positive relationship between social factors and entrepreneurial performance.
Ho₁: There is a significant positive relationship between social factors and entrepreneurial performance.

From Table 3, the result of testing the relationship between social factors and entrepreneurial performance reveals that the exact level of significance (0.020) is less than the probability of committing a type one error (0.05). Thus, the null hypotheses was rejected and the alternative hypotheses which states that there is a significant positive relationship between social factors and entrepreneurial performance accepted.

Hypothesis Three
Ho: There is no significant positive relationship between technological factors and entrepreneurial performance.
Ho₁: There is a significant positive relationship between technological factors and entrepreneurial performance.

From Table 3, the result of testing the relationship between technological factors and entrepreneurial productivity reveals that there is need to reject the null hypothesis and accept an alternative which state that there is a significant positive relationship between technological factors and entrepreneurial performance.

Hypothesis Four
Ho: There is no significant positive relationship between political factors and entrepreneurial performance.
Ho₁: There is a significant positive relationship between political factors and entrepreneurial performance.

From Table 3, the result of testing the relationship between political factors and entrepreneurial productivity reveals that the exact level of significance (0.000) is less than the probability of committing a type one error (0.05). Thus, the null hypotheses was rejected and the alternative hypotheses which states that there is a significant positive relationship between political factors and entrepreneurial performance accepted.

The study shows that there is statistical significant positive relationship between economic factors and entrepreneurial productivity in Asaba, Delta state.
SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS.

Summary of Findings
This research study investigates the environmental factors affecting entrepreneurial productivity. Twenty five (25) hostels were sample. The variables used to carry out this investigation consist of economic factors, social factors, technological changes and political factors. The findings from the study showed that
1. There is a significant positive relationship between economic factors and entrepreneurial performance.
2. There is a significant positive relationship between social factors and entrepreneurial performance.
3. There is a significant positive relationship between technological factors and entrepreneurial performance.
4. There is a significant positive relationship between political factors and entrepreneurial performance.

Conclusion
The purpose of the study was to examine the environmental factors affecting entrepreneurial productivity. From the findings, it was concluded that the role of environmental factors on entrepreneurial productivity cannot be over emphasized because it enhances the socio-economic well-being of the people. Entrepreneurial productivity is based on the prevailing environmental factors which influence the activities of the entrepreneur. Based on empirical findings, some of the existing environmental factors which could influence the entrepreneurial productivity in the area are the social economic, political and technological factors.

Recommendation
Based on the empirical finding of the study, the following recommendations were made;
1. Entrepreneurs in hospitality firms should encourage social events within the society that they operate, so as to increase their patronage and enhance firms’ profitability.
2. Entrepreneurs in hospitality firms should provide appropriate technological infrastructure that will facilitate productivity within the firm.
3. Entrepreneurs in hospitality firms should imbibe the culture of the society in which they operate. This will enhance effectiveness of organizational productivity.
4. Entrepreneurs in hospitality firm should ensure that customer’s relationship practices should be intensified.

Contributions to knowledge
The study added to the body of knowledge by updating the empirical literatures on environmental factors; technological, social and political factors, and its effect on entrepreneurial productivity.
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