Strategic Management and Entrepreneurial Engagement as Factors for Value Creation among University Graduates Operating SMEs

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Abstract
The study examined strategic management and entrepreneurial engagement as factors for value creation among university graduates operating SMEs. Two research questions and four hypotheses guided the study. A descriptive research design was used. The population of the study comprised 182 Business Education postgraduate students in Olabisi Onabanjo University, Ago-Iwoye and Tai Solarin University of Education, Ijagun, Ogun State. A total of 150 Business Education postgraduate students of selected universities were chosen as the sample size using purposive and stratified sampling techniques. The study used a self-developed instrument tagged: Strategic Management, Entrepreneurial Engagement and Value Creation Questionnaire (SMEEVCQ) for data collection. This questionnaire has a reliability coefficient (r = .85). The Pearson Product Correlation Questionnaire (PPMC) was used to test hypotheses 1 and 2, while hypotheses 3 and 4 were tested using regression analysis. The findings revealed that there was a significant composite contribution of independent variables on the dependent variable; $R = 0.74$, $p < .05$, and that about 70% variation in value creation was accounted for by explanatory variables (strategic management and entrepreneurial engagement. There was a relative influence of strategic management ($\beta = .4996$, $t = 3.683$, $p < .05$) and entrepreneurial engagement ($\beta = .43999$, $t = 2.111$, $p < .05$) on value creation among university graduates who operate SMEs. It was recommended that SMEs need to be more engaged in entrepreneurship activities by developing more intensity in lucrative business ideas for their survival in a competitive environment.

Keywords: Strategic Management, Entrepreneurial Engagement, Value Creation, Small-Medium Scale Enterprises

Introduction
Value creation aims to reduce the number of unemployed in the economy, and value creation is not only necessary for economic health but is also a criterion for maintaining and creating new jobs for graduates. Value helps to transform a country and its economy into an innovation-based economy, increasing its global competitiveness and improving its quality of life. To creates value is an incubator and today, different societies are seeking to improve solutions of value-creation revolution and a community of value-creation (Rashidi et al. 2020).

Today's graduates, supposed to plan a special place for the value-creation concept and process and transforming ideas to wealth (value) chains (Muscio, 2022).

Value creation is defined as a collection of value that people mostly prefer as a consequence of exchange interaction (Kuratko, 2021). Leo, Grisna and Aang (2023) identified the new value creation as the main focus of entrepreneurship in the subjective view of entrepreneurial researchers, business leaders, and politicians. Meanwhile, Favolle (2021) proposed a definition of value creation for entrepreneurship based on two dimensions, namely, novelty value created and the impact of processes on the individual. Value creation facilitates by entrepreneurship education to have a comprehensive understanding of expected processes and results. Hindle (2022) hinted that values relate to exchanges between market players and market-determined prices. The author has outlined a more pluralistic but equally brief view by stating that new value may take many forms: economic, social, monetary, ecological, mental, physical, among others with the help Entrepreneurship education contains numerous constituents, encompassing learning material and is planned to reach its purposes. However, Leo et al. (2023) opined that the value creation strand has a long history in entrepreneurship education. Businesses can create more value that may drive the performance and sustainability of the enterprises. However, value creation by enterprises or businesses are driven by many factors, which include strategic management (Amarime & Okoh, 2024).

Strategic management, as stated by Plance (2015) is the process of examining both present and future environments, formulating the objectives of the organizations, implementing and controlling decisions focused on achieving these objectives in the present and future environment. Strategic management is the dynamic process, formulating, implementing, evaluating and organization's strategic intent (Kamzi, 2018). As a dynamic process, management is not an overtime, static or mechanistic process. It is not a rigid, stepwise collection of a few activities as ranged in a sequential order. It is a continual evolving of relevant activities with each activity being performed in any order by the managers, contingent upon the situations the management face at any time. Strategic management is a stream of decisions and actions which leads to the development of an effective strategy or strategies to help achieved corporate objectives (Jauch & Glueck, 2018) According to Cole (2017) strategic management is a process directed by top management, to determine the fundamental aims or goals of the organization and to ensure that range of decisions, which will allow for the achievement of those aims or goals in the long term, whilst providing for adaptive responses in the shorter term.

It is imperative for businesses to know why they are in business but also to put in place an attainable strategic management effort to improve their business performance and value creation. This is imperative because strategy is a factor for sustainable competitive advantage and in recent times, large enterprises have used various strategic management practices to succeed within the constraint that exists in their environment of business. Although this practice is a welcome development as stated by Kraya and Osmani (2019) is viewed to be important only to the existence of large corporations most research have shown that for every organization, whether large or small, in order to succeed and a goal of competitive advantage, it has to be strategic in their day-to day operations in business. However, enterprises have paid less emphasis on the strategy-making processes of these firms and pay more attention to their low performance and high failure rate, which is often attributable to a lack of resources such as funds, land, and skilled labour (Majama & Magnag, 2020).

Though lack of these mentioned resources can mitigate these enterprises from achieving relative strengths, and successes, business but business management experts have argued that

even on the availability of such resources, majority of those small and large medium enterprises fail to achieve successes due to lack of strategic planning which is as a result of poor managerial know how and lack of initiatives (Majama & Magang, 2020). It is imperative therefore that small and medium enterprises can no longer be excluded from those forces that have led larger organizations into adoption of strategic decisions., Therefore, small and medium enterprises are now forced to bring together their available resources and capabilities to gain competitive advantages about their products, competition and market.

From strategic management, other factors affecting a business's value creation is the level of entrepreneurial engagement. Entrepreneurship engagement is the process of the entrepreneurial decision is decomposed into seven engagement levels ranging from never thinking about starting a business, to giving up, thinking about it, taking steps to start up, having a young business, having an older business and no longer being an entrepreneur (Falobi, 2021). When graduates engage in entrepreneurial activities, there are tendencies that such graduates will be self-employed, having more income and economic freedom and that the success of entrepreneurship engagement is the possession of entrepreneurship skills. Personally, entrepreneurship engagement is a critical concept in business that describes the level of involvement, commitment and connection between a graduate and business activities, includes

Countries with increased entrepreneurial engagement tend to have experienced a greater decrease in unemployment rates as well as recorded sustained increase in standard of living. A considerable agreement, therefore, exists regarding the need to promote entrepreneurship engagement as a strategy for economic transformation for value creation among the enterprises. The level of economic development experienced by societies has significantly depended on the depth of entrepreneurship engagement that is present within that society. Entrepreneurs historically have altered the course of economic history in the world (Ochepa, Sule, Adeyeye & Kolo, 2017). The principal focus of Entrepreneurship engagement is wealth creation and improved livelihood by means of making available goods and services. This usually leads to an upward change whereby the real per capita income of a country encounters sustained increase over time, which is tantamount to economic growth and increases in value creation.

Thus, entrepreneurship engagement is an indispensable tool for economic transformation. However, the extent to which the above leads to value creation among enterprises seems not unclear. Diverse economic, social and political problems of different magnitudes are facing the nations of the world, and the developing economies are not excluded. It is possible that these diverse problems have adversely affected the economies of these countries. Such effects include the high unemployment rate, poor standard of living, epidemics and so on that are currently facing the countries (Ochepa et al., 2027). However, despite significant numbers of literature on how strategic management and entrepreneurial engagement predicted value creation among graduates, there have been dearth of literature on the composite contribution of these explanatory variables (strategic management and entrepreneurial engagement) as factors for value creation among university graduates operating SMEs. This was the gap the study filled by examining strategic management and entrepreneurial engagement as factors for value creation among university graduates operating SMEs.

Statement of the Problem

The performance of businesses in term of value creation have been the focus of intensive study in recent time. Operators of small and medium scale business enterprises are increasingly aware that an important source of competitive advantage often starts from their local products

and services, better public relation strategy, level of technology, and effective management of their human resources. Most owners of small and medium enterprises devote most of their time realizing and reacting to unexpected change and challenges instead of anticipating and preparing surmounting immediate problems, with little effort left to expect and prepare for the forth coming challenges. These challenges put many owners of small and medium scale business enterprises into a reactive position. Hence, the implementation of adequate strategies put forward and designed for the achievement of their business objectives like value creation has to be designed out such that it will control and the improvement of the overall performance of the enterprise. This is the reason why this study examined strategic management and entrepreneurial engagement as factors for value creation among university graduates operating SMEs.

Objectives of the Study

The main objective of the study was to examine strategic management and entrepreneurial engagement as factors for value creation among university graduates operating SMEs. Specifically, the study sought to:

1. find out the composite contribution of strategic management and entrepreneurial engagement on value creation among university graduates operating SMEs.
2. determine the relative influence of strategic management and entrepreneurial engagement on value creation among university graduates operating SMEs.

Hypotheses

The following null hypotheses are raised for this study:

$H0_1$: There is no significant composite contribution of strategic management and entrepreneurial engagement on value creation among university graduates who operate SMEs.

$H0_2$: There is no significant relative influence of strategic management and entrepreneurial engagement on value creation among university graduates who operate SMEs.

Methodology

A descriptive research design of a correlation type was used to generate data for this study. The population of this study comprises Business Education postgraduate students in Olabisi Onabanjo University, Ago-Iwoye and Tai Solarin University of Education, Ijagun, Ogun State. The population of the study comprised 182 Business Education postgraduate students of Olabisi Onabanjo University, Ago-Iwoye and Tai Solarin University of Education, Ijagun, Ogun State. Using the purposive sampling technique, only 150 postgraduate students were selected as the sample size of the study. The study used a self-developed instrument tagged: Strategic Management, Entrepreneurial Engagement and Value Creation Questionnaire (SMEEVCQ). SMEEVCQ is a self-structured instrument geared towards eliciting information from the respondents regarding the strategic management and entrepreneurial engagement as factors for value creation among university graduates who operate SMEs. The questionnaire requested responses on a four (4) – point scale format, which was a modification of a 5-point Likert scale. To ensure the content validity of the instrument (SMEEVCQ), a copy of the instrument was made available to the experts in the related field for corrections. Reliability of the instrument was done using the Cronbach alpha. In this case, copies of the instrument (SMEEVCQ) were administered on 13 Business Education post-graduates in Delta state, who are parallel to the sampled population. The collected data were analyzed using Cronbach's Alpha, which yielded 0.85 as the reliability of the instrument. Hypotheses were tested using multiple regression analysis.

Results

$H0_1$: There is no significant composite contribution of strategic management and entrepreneurial engagement on value creation among university graduates who operate SMEs.

Table 1: Composite contribution of strategic management and entrepreneurial engagement on value creation among university graduates who operate SMEs

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.74[a]	.71	.70	5.892137

a. Predictors: (Constant), Strategic management and entrepreneurial engagement
b. Dependent variable: Value creation

The table 1 showed that there was significant composite contribution of independent variables on the dependent variable; $R = 0.74$, $p < .05$. This implied that null hypothesis was rejected. The table further revealed about 70% variation in value creation was accounted for by explanatory variables (strategic management and entrepreneurial engagement.

$H0_2$: There is no significant relative influence of strategic management and entrepreneurial engagement on value creation among university graduates who operate SMEs.

Table 2: Relative influence of strategic management and entrepreneurial engagement on value creation among university graduates who operate SMEs

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	102.935	11.032		4.775	.000
	Strategic management	.58631	.2673	.4996	3.683	.000
	Entrepreneurial engagement	.50077	.2785	.3999	2.111	.000

Dependent Variable: Value creation

Table 2 revealed that the sign of the coefficients of strategic management and entrepreneurial engagement were positive which implied that an increase or improvement in any of these will increase value creation among university graduates who operate SMEs. The variables examined were found to be significant and strongly determine value creation among university graduates who operate SMEs with their p-value less than 0.05 in this order; strategic management ($\beta = .4996$, $t = 3.683$, $p < .05$) and entrepreneurial engagement ($\beta = .43999$, $t = 2.111$, $p < .05$). This implied that null hypothesis was rejected, and the researcher concluded that there was significant influence of strategic management and entrepreneurial engagement on value creation among university graduates who operate SMEs.

Discussion of Findings

The findings of the study revealed there was a significant composite contribution of independent variables on the dependent variable; $R = 0.74$, $p < .05$. This implied that about 70% variation in value creation was accounted for by explanatory variables (strategic management and entrepreneurial engagement. The coefficients of strategic management and entrepreneurial engagement were positive which implied that an increase or improvement in any of these will increase value creation among university graduates who operate SMEs. This implied that null hypothesis was rejected, and the researcher concluded that there was a significant relative

influence of strategic management and entrepreneurial engagement on value creation among university graduates who operate SMEs. These findings were in consonant with Ekon and Bemnet (2022) findings indicated that there was medium level of economic survival of postgraduate students and there was low level of entrepreneurial engagement among postgraduate students in Ogun State. It was indicated that economic survival and entrepreneurial engagement ($r = .151$, $p < .05$) are positively related. The implication of this result was that about 15.1% increase in postgraduate students' economic survival could be attributed towards entrepreneurial engagement. Ekon and Bemnet (2022) investigated the relationship between strategic management practices and the performances of SMEs in Nigeria and they found that strategic management practices like scanning the environment from opportunities, strategy formulation, strategy implementation, and strategy evaluation have a significant impact on organization performance within the sampled period.

The study further revealed that most of the SMEs in Nigeria have embraced strategic management practices but are wrongly implemented and evaluated explaining why strategic management practices have not reflected in improved competitive advantages of the SMEs in Nigeria in the global scene. As such, the study concludes that for the benefits of strategic management practices to be reflected in the SMEs performances in Nigeria, firms must be able to implement and evaluate strategy formulated. The findings of the study were also in agree with Akpa, Shodunke, Makinde, and Nwankwer (2022) who examined the effect of value creation on firm innovativeness of small and medium-sized enterprises in Ogun State, Nigeria and they found that value creation components had significant effect on innovativeness ($Adj.R2 = 0.792$; $F(3,407) = 522.888$, $p < 0.05$). The study concluded that value creation had a significant effect on firm innovativeness of SMEs in Ogun state, Nigeria. Olanipekun, Abioro, Akanni, Arulogun and Rabiu (2015) who examined the impact of strategic management on competitive advantage and organization performance in Nigerian bottling company using the resource-based theory as its theoretical basis because the theory explains how competitive advantage and superior performance of an organization is explained by the distinctiveness of its resources and capabilities which constitutes central considerations in formulating its strategy. The findings revealed that indeed the adoption and implementation of strategic management practices makes the organization not only to be proactive to changes but also initiate positive changes that consequently leads to competitive advantage and sustainable performance.

The findings of the study corroborated with Adelekan, Majekodunmi and Worimegbe, (2021) who investigated the extent to which firm level strategy influences value creation in small businesses and revealed that firm strategy is a driver of value creation in small businesses. The study also shows that corporate level strategy and business level strategy are the most significant drivers of value creation. The results of this study highlight critical concerns and guide small businesses through the value creation process to achieve competitiveness. Ochepa et al. (2017) focused on the effect of entrepreneurship on employment generation and improved standard of living in Niger State and showed that entrepreneurship generates significant employment and also has significant effects on the standard of living in Niger state. Adeoye (2015) examined the effect of entrepreneurship in fostering economic growth and development and indicated that Nigeria's economy has continued to grow over the last decade- with the real GDP growth rate hovering around 7%. It was also found that entrepreneurship can enhance economic growth and development primarily by generating employment and foster the growth of micro, small and medium enterprises in Nigeria.

Conclusion

Having examined strategic management and entrepreneurial engagement as factors for value creation among university graduates who operate SMEs, the following conclusions were drawn based on the findings of the study that there was significant composite contribution of independent variables on the dependent variable and that about 70% variation in value creation was accounted for by explanatory variables (strategic management and entrepreneurial engagement and that there was significant relative influence of strategic management and entrepreneurial engagement on value creation among university graduates who operate SMEs.

Recommendations

Based on the findings of the study, the following recommendations were provided:

1. It was recommended that SMEs need to be more engaged in entrepreneurship activities by developing more intension in lucrative business ideas for their survival in a competitive environment.
2. It was also recommended that organization should continuously maintain, sustain and improve strategic management practices since it is an indispensable tool for business organization performance.
3. Small firms should be active in the formulation and implementation of strategies that are based on value creation. More attention should be given to business level strategy, as this is the most significant driver of value creation.
4. It is recommended that the government, at all levels, should provide an enabling business environment that will encourage entrepreneurship. Policy makers equally, should not only introduce practical skills acquisition programs but design it to foster creativity and innovation.
5. There should be proper policy coordination and policy stability; reforms in the educational curriculum to prepare students for self-reliance; and fixing the power sector-Nigeria's basic infrastructure.

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