



Mediating Role of Network Ties in the Relationship between Innovativeness, Proactiveness, and SMEs Performance

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ABSTRACT

This analysis examines the role of network connectivity as a mediator between innovative strength, positivity and performance from small and medium-sized enterprises (SMEs). Data were obtained by 305 subjects using structural questionnaires and data analysis using structural equation modelling for path analysis using STATA version 15 (PA-SEM). The results show that innovative capabilities have a positive and significant impact on small and medium-sized enterprise performance. Proactiveness was also identified as a key performance driver for small and medium-sized businesses. These findings show that network ties to SMEs is a performance mediator by providing access to important external additional resources, knowledge and opportunities from outside to improve their competitive advantage. Furthermore, these connections form the impact of innovative strength and proactiveness on performance, highlighting the importance of external relations in achieving business success. Research findings show that innovativeness, proactiveness and network ties are key predictors of performance outcomes for SMEs. Performance improvements from each factor are made directly and indirectly via network ties. This illustrates a complex role network to achieve better results.



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Introduction

The role of small and medium-sized enterprises around the world is extremely important for both developed and developing countries when it comes to creating jobs, combating poverty and creating prosperity. Clearly Sajuyigbe et al. (2021) have confirmed that small and medium-sized enterprises are economic pillars of many countries, thanks to their contribution to large corporations around the world and generations of employment in GDP regions. In the same direction, Akande et al. (2019) showcased that the SME sector contributes more than 50% to create jobs, making up more than 60% of corporate organisations in developing countries. Similarly, Ingbedion (2022) presented that small and medium-sized enterprises play an important role in the private sector in developed countries. For example, the sector consisted of over 90% of the UK, US and Canada. Existing research like Kiiru et al. (2023),

Abbas et al. (2019) and Chung et al. (2020) confirmed that the SME sector is the backbone of developing countries as sectoral states such as Nigeria, India and Brazil provide ample opportunities for professional supervision, wealth creation and combating poverty.

However, the sector recently experienced a set break due to the rise in Covid 19 and the effects of the cut neck of globalization syndrome. These scenarios have changed consumer behaviour in terms of online purchasing, quality services and remote working solutions. This means that the rise and globalization of Covid-19 means that there is a regional market for international companies that threaten the survival of SME sectors in developing countries such as Nigeria, threaten the survival of technological advancements, the effects of scale, and the survival of small and medium-sized enterprises to address global companies. SMEs that did not match this trend faced considerable challenges in order to be competitive and retain their customers.

Innovativeness has been acknowledged as a vital key that brings SMEs to the global lime light of relevance and empowering businesses to remain competitive and wax strong amid of cut throat competitive business environment. In the same perspective, Kiiru et al. (2019) demonstrate that innovativeness plays pivotal role in driving SMEs success, enhance customer satisfaction, and explore new markets. Similarly, Crupi et al. (2022) align with the previous studies that innovativeness empowers SMEs to adapt to changing market condition and respond swifty to new trends, and customer demand. Along innovativeness, proactiveness is another one of the entrepreneurial orientation dimensions that drives SMEs success through recognising future opportunities, and anticipating challenges, and market trends, and acting proactively before become issues. Funmilayo et al. (2022) also argue that proactiveness is a strong tool that enable the SMEs to seize available opportunities, build strong and sustainable relationship with stakeholders, mitigate risks, and maintain competitiveness. Similarly, network ties also have been acknowledged by scholars, researchers and entrepreneurs as germane entrepreneurial tool for the sustainability of SMEs across the globe. An et al. (2018) explain that network ties empower SMEs to have access to resources, opportunities and information that can transform the sector. Chung et al. (2020) reiterate that network ties foster innovativeness, expand into new markets and improve financial performance and long-term sustainability.

Existing studies has hooked up the hyperlink among innovativeness, proactiveness and the overall performance of SMEs in each superior and growing nations (Bor, 2018; Akande et al., 2019; Hang et al., 2014; Hongbo & Koffi, 2019). However, not one of the to be had research observe the mediating function of community ties among innovativeness, proactiveness and the overall performance of SMEs mainly in Nigerian content. This well-knownshows an opening withinside the literature which this modern have a look at intends to bridge with the aid of using exploring the mediating function of community ties on the connection among innovativeness, proactiveness and the overall performance of SMEs. The have a look at gives the significance of integrating innovativeness, proactiveness and community ties in improving SMEs overall performance.

Theoretical Framework

The fundamental theory of this current study is Social Capital Theory and Resource-Based View (RBV). The choice of these theories is based on the fact that both theories demonstrate how network innovation and positivity contribute to the growth of small and medium-sized enterprises. For example, Ibrahim and Abu (2020) argue that social capital theory emphasizes the combination of robust networks among stakeholders that allow access to information,

materials, human, and financial sources that have a robust and high-quality effect on SME growth. In another study, Han et al. (2019) reiterate that Social Capital Theory is pertinent to SMEs to have strong ties with suppliers, customers, host community, and various stakeholders that lead to business expansion. In the equal direction, Hao, and Song (2016) show that Social Capital Theory inspire interplay with stakeholders, and numerous companies that selling the trade of latest ideas, and first-class practices that pressure innovation and proactiveness inside SMEs. According to Kusumawardhani (2013), the theory creates a framework for SMEs to have cordial relationship with suppliers, competitors, and studies establishments to have innovative and progressive merchandise and services. Lumpkin, and Dess (2005) endorse that SMEs can amplify their marketplace if leverage social capital on the way to facilitate the nexus with customers, and investors. This indicates that leveraging social capital via network ties, SMEs can distinguish themselves through competitive advantage, amplify marketplace opportunities, and enhance adaptability.

Resource-Based View (RBV) Theory

Another theory that focuses on the internal resources and skills of a company to achieve a competitive advantage is the RBV theory. This refers to small and medium-sized businesses that use internal resources such as network bonds to achieve a competitive advantage. Network bonds are important. Identify small company resources such as market access and relationships with stakeholders that can provide clear information (Abbas et al., 2019; Chung et al., 2020). Okangi (2019) claims that they can join the network with RBV-SMUS, which can receive important resources. According to the discussion, Onyenma and Hamilton (2020) believe that network connectivity between small and medium-sized businesses and skills promotes skills that improve creativity and innovation. Similarly, Ololofeso et al. (2021) RBV theory emphasizes that small and medium-sized businesses use network connections to use shifts in market change, setting frames to respond quickly to changes. Okangi and Letmathe (2015) emphasize that RBV theory serves as a basis for small and medium-sized enterprises to access different knowledge. The theory is that corporate organizations identify gold options and reduce the risk of bonds in strategic resource management networks. Improve the sustainability and resilience of SMEs through innovation, positivity and networking in an increasingly competitive environment.

Empirical Review and Hypotheses Development

Innovativeness and SMEs Performance

Another idea that specializes in the inner sources and abilities of a business enterprise to acquire a aggressive benefit is the RBV idea. This refers to small and medium-sized corporations that use inner sources inclusive of community bonds to acquire a aggressive benefit. Network bonds are essential. To become aware of small company sources inclusive of marketplace get entry to and relationships to stakeholders that may offer clean information (Abbas et al., 2019; Chung et al., 2020). Okangi (2019) argues that it could be part of the community the use of RBV-SMUs, that can get hold of essential sources. According to the discussion, Onyenma and Hamilton (2020) consider that community connectivity to understanding small corporations and abilities promotes abilities that enhance creativity and innovation. Similarly, Ololofeso et al. (2021) RBV idea emphasizes that small and medium-sized corporations use community connections to apply shifts from marketplace changes, putting frames to reply quick to changes. Okangi and Letmathe (2015) emphasize that RBV idea serves as a foundation for small and medium-sized companies to get entry to specific knowledge. The idea is that company companies become aware of gold possibilities and

decrease bond chance in strategic aid control networks. Improve the sustainability and resilience of SMEs thru innovation, positivity and networking in an an increasing number of aggressive environment.

Proactiveness and SMEs Performance

They not only respond when an active organization arises, but also tend to predict and determine future needs, trends, or challenges. This includes competitors' assumptions by understanding trends, changing consumer preferences, changing market gaps, and working strategically (Onyenma & Hamilton, 2020). Ololofeso et al. (2021) proposed that SMEs actively form changing rooms to achieve competitive advantages and create demand to promote innovation. According to Okangi (2019), SMEs can respond immediately to changes in market scenarios, stay up to date, and respond proactively beyond the water in the long run. Similarly, Mwangi and Ngugi (2014) confirm that aggressive SMEs often achieve competitive advantage through opportunity actions before competition leads to higher market share, profitability and business growth.

In this context, Milovanovic and Wittin (2014) actively demonstrate that by implementing innovative solutions and new business models in the industry, it enables market leaders to become market leaders. Mbul et al. (2021) found that these aggressive SMEs spend most of their budgets for growth-oriented activities, including strategic alliances and internationalization, which have a positive effect on overall financial performance measured based on sales and profitability. According to Magazine et al. (2015) SMEs achieve strategic market orientation through positive action. If you maintain awareness of trends and respond quickly to changes, your business is surpassing the competitors that are long needed to avoid stagnation and make adjustments. Small and medium-sized businesses need aggressive entrepreneur orientation to maintain a competitive advantage in a challenging market environment. Therefore, proactiveness is a key entrepreneurial orientation that supports small and medium-sized businesses in navigation in a competitive environment. On the contrary, aggressive SMEs usually achieve better performance, sustainability and long-term success by examining possibilities, incorporating innovation and preparing for future tasks (Kusumawardhani, 2013). Based on this, the following hypothesis is:

H2: SMEs have a strong relationship with positive behaviour

Mediating factor of Network ties

Network bonds are the connections and connections that companies have with external stakeholders such as suppliers, customers, competitors, industry experts, political decision makers, financial institutions, and research institutions. These relationships could provide small businesses, related resources, information, market opportunities, and other support outside the organization. Companies use external knowledge and resources to promote innovation, positive behavior and improved overall performance. Network connectivity is centrally important for social capital (Brownhilder, 2018). In words like Abbas. (2019), "Network connectivity allows access to essential knowledge and ideas from outside the network that helps innovative activities." This feature provides readability for creating differentiated products and processes, SMEs on market changes, customer trends, and improving corporate standards are effective in providing markets with immediate comments and important actor behavior (Crupi et al. 2022). Proactive, small and medium-sized organizations are better leaning with strong community connections and can accommodate external coordination, consisting of new technologies and changing customer behavior.

Mu et al. (2012) find that community connections provide SMEs with approval for assets that are difficult or inexpensive to collect themselves, and consist of special expertise, skills, funds, or sales options. These possessions increase operational effectiveness, reduce costs, and increase the total standard performance. A comparable streak, Moon et al. (2022) look at these community connections that help small and medium-sized businesses organize strategic partnerships with large and company businesses. These coalitions glorify the market rankings of small and medium-sized businesses by using assets and information in large partners and allowing them to support them in successful competition. Comunello and Mullulargia (2023) was a partnership designed with connections in communities with small business strategic partnerships glorifying skills, market markets and positive benefits. These strategic alliances support small businesses and improve subsidies restrictions, boom growth and overall performance. This means that small and medium-sized businesses can make higher decisions and deal with the right market situation. There are indications that small businesses with robust community connections can recognize new opportunities, market gaps, and changing demand before others. This responsiveness guarantees a positive aspect in a constantly converting market (Funmilayo et al., 2022).

These results show that network relationships are completely superior factors for increasing innovative strength and positivity in SMEs that affect overall performance. We use these networks from KME to maintain entry into related assets, manipulate innovation, expect market adjustments, grow and expand the positive benefits that allow us to grow and succeed forever. Taking these visions into consideration, the following hypotheses have been proposed:

- H3: There is an important relationship between network ties and SMEs performance.
- H4: The relationship between innovative strength and performance of small and medium-sized enterprises is communicated by network ties.
- H5: The relationship between positivity and SMEs performance is communicated by network ties.

Conceptual Framework for the Study

A conceptual framework provides a visual presentation or an organized overview of the connections between essential variables in a research study. This serves as a reference to document how various factors and ideas are related and how they contribute to research goals. In the context of this research, the conceptual framework demonstrates how network coupling, innovative strength, and positivity influence SME performance.

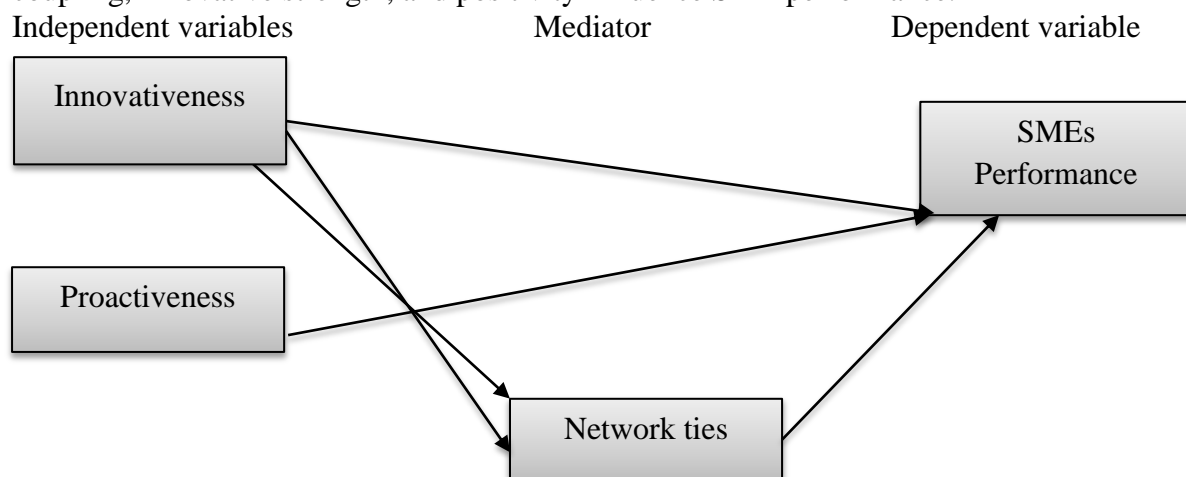


Figure 1: Conceptual Model

Figure 1 shows a conceptual version that demonstrates how innovativeness along side proactiveness and community connections make a contribution to SME fulfillment even as growing the study's hypotheses and framework. The version demonstrates how community connections feature as an middleman issue connecting innovativeness with proactiveness and SME overall performance. The studies framework examines how innovation allows SMEs to broaden services and products that meet purchaser wishes extra correctly and the way this results in stepped forward purchaser pleasure and loyalty in addition to repeat purchases and effective word-of-mouth. The evaluation demonstrates that proactive conduct positions SMEs to have an effect on their surroundings even as concurrently developing call for and selling innovation which offers them a strategic benefit in competition. Our concept shows that SME overall performance is at once related to innovativeness and proactiveness thru community ties which additionally mediate those relationships.

Methodology

This study used qualitative research methods to examine the mediating role of network ties on the relationship between innovative strength, proactiveness and SME performance. A structured questionnaire was used to collect data from respondents through targeted sampling techniques. A total of 350 surveys were submitted between August 8th and September 20th, 2024, and 305 completed surveys were collected, resulting in a response rate of 87.1%. The main data collection used a structured questionnaire given both senior and junior surveys by selected production companies in Oyo State, Nigeria. The study used perceived measurement scales for innovativeness, proactiveness, network ties and small business performance. This is Kiiru et al. (2023), Mburu et al. (2021), Chung et al. (2020) and Mwangi and Ngugi (2014). All variables were evaluated using a 5-point Likert scale (1 = SD, 5 = SA). In particular, the innovation scale included six factors. Examples of factors include "We often launch new products or services," "We invest resources in research and development (F&E)," "We adopt new technologies that improve our offers," "Innovation is central to our business approach," "It motivates employees to try new concepts. Consistently, spot market trends," "We are looking for new market opportunities," "Starting new products/services in front of our competitors," "We are constantly improving our business to address future challenges."

The Network ties Scale consisted of six elements, including examples such as "our company has a robust connection to key suppliers." The performance scale for small and medium-sized enterprises consisted of examples such as "Our sales have increased over the past three years." Data were analysed using Path-Analysis Structural Equation Modelling (PA-SEM) with STATA version 15.

Table 1: Summary of Results of the Measurement Instruments Validation and Reliability

Variable	Items	Loadings	Cronbach's Alpha	CR	AVE
Innovativeness	INQ1	.810	0.865	0.829	0.837
	INQ2	.808			
	INQ3	.812			
	INQ4	.821			
	INQ5	.809			
	INQ6	.823			
Proactiveness	PRQ1	.813	0.828	0.872	
	PRQ2	.812			

	PRQ3	.825			
	PRQ4	.824			0.864
	PRCQ5	.829			
	PRCQ6	.829			
Network ties	NTQ1	.829	0.861	0.872	0.879
	NTQ2	.818			
	NTQ3	.817			
	NTQ4	.828			
	NTQ5	.851			
	NTQ6	.837			
SMEs Performance	SMPQ1	.826	0.849	0.859	0.849
	SMPQ2	.833			
	SMPQ3	.817			
	SMPQ4	.886			
	SMPQ5	.825			
	SMPQ6	.828			

Table 1 presents the validation and reliability results for the four constructs. The high factor loadings for all items indicate that each question effectively measures its intended construct (innovativeness, proactiveness, network ties, or SME performance), enhancing confidence in the accuracy of the measurement instruments.

Additionally, the excessive Cronbach's Alpha and Composite Reliability ratings propose that the scales for every variable are each dependable and consistent, making sure that the items reliably capture their respective constructs. The AVE values, all exceeding the endorsed threshold of 0.50, verify robust convergent validity, that means the gadgets are well-correlated with their constructs and the constructs are wonderful from one another.

These proven and dependable scales may be optimistically implemented in destiny research to evaluate innovativeness, proactiveness, work ties, and SME overall performance. Given the robust psychometric properties, the insights derived from those measurements are probably to be correct and meaningful. Researchers and practitioners can use those scales to efficiently examine SME overall performance and strategic behaviours in diverse contexts. In summary, the dimension units used on this have a look at were proven and reveal excessive reliability and validity.

Results and Discussion

Socio-demographic characteristics

The background information covered gender, age, education, and years in operation. In terms of gender, 60% of the respondents were male, while females made up 40%. Regarding age, only 10% of respondents were under 20 years old, while the majority (40%) fell within the 21-30 age range. Respondents aged 31-40 and 41-50 represented 35% and 15%, respectively. This suggests that more young people are getting involved in small-scale businesses, contributing to sustainable development. In terms of education, 43% of respondents had vocational training, while diploma and bachelor's degree holders made up 44% and 6%, respectively. Master's degree holders accounted for 6% as well. For years in operation, 43% of the businesses had been in existence for over 20 years. Those operating for 15-19 years comprised 28%, while 10-14 years and 5-9 years accounted for 15% and 10% of respondents, respectively.

Table 2: Path Analysis Structural Equation Modelling (Direct Effect)

Path	Beta-value	t-value	p-value	Hypothesis	Remark
IN → SMP	0.721	9.09	0.000	H1	Supported
PR → SMP	0.784	9.99	0.000	H2	Supported
NT → SMP	0.674	8.77	0.000	H3	Supported

Note: IN = Innovativeness, PR = Proactiveness, NT = Network ties, SMP = SMEs performance

Table 2 highlights the direct relationships between Innovativeness (IN), Proactiveness (PR), Network Ties (NT), and SMEs Performance (SMP). The results show that: The beta-value of 0.721, t-value of 9.09, and p-value of 0.000 indicate a strong, positive relationship between Innovativeness and SMEs performance. For every unit increase in Innovativeness, SMEs performance rises by 0.721 units. The statistically significant values ($p < 0.05$) confirm Innovativeness as a key driver of SME performance. SMEs that prioritize innovation by introducing new ideas, products, or processes tend to achieve better outcomes. This finding is consistent with Kiiru et al. (2023), who also found Innovativeness to be a major determinant of SME performance. Similarly, Mohammad et al. (2018) demonstrated that entrepreneurial Innovativeness significantly enhances SME performance, while Bor (2018) and Akande et al. (2019) further attest to its positive influence. This supports H1, which posits that Innovativeness positively affects performance.

A beta value of 0.784, a t value of 9.99, and a P of 0,000 suggest a robust, positive, and significant correlation between SME positivity and performance. More Proactive units improve performance of 0.784 units. Initiatives such as forecasting and exploitation can significantly improve the performance of small and medium-sized businesses. This is in response to Okangi (2019), and we found that a proactive approach allows SMEs to maintain a flexible, competitive self-contained market. Mwangi and Ngugi (2014) confirmed that aggressive SMEs use possibilities before rivals to achieve competitive advantage. Milovanovic and Wittine (2014) and Mburu et al. (2021) reveal that aggressive SMEs can achieve market leadership through the introduction of innovative business models and investing in growth-oriented initiatives. Magaji et al. (2015) also confirmed that proactiveness is essential for strategic market positioning. These results enhance H2. This indicates that positivity is a major success factor.

A beta-value of 0.674, t-value of 8.77, and p-value of 0.000 suggest compelling proof that Network Ties undoubtedly and notably have an effect on SMEs overall performance. Robust connections, whether or not with suppliers, customers, or different stakeholders, raise SMEs overall performance via way of means of allowing strategic partnerships, broadening marketplace access, and amplifying aggressive gain. This discovery is regular with Moon et al. (2022), who further recognized Network Ties as a predictor of SME overall performance. Comunello and Mulargia (2023) in addition confirm that strong networks help SMEs in enhancing their abilities and marketplace positioning, at the same time as An et al. (2018) discovered that community connections offer SMEs with more insights into enterprise developments and purchaser preferences, ensuing in better-knowledgeable decisions. These outcomes corroborate H3, suggesting that Network Ties have effective effect on overall performance. In summary, Innovativeness, Proactiveness, and Network Ties all notably and undoubtedly impact SMEs overall performance, thereby validating hypotheses H1, H2, and H3.

The outcomes suggest that innovativeness, proactiveness, and network ties are critical predictors of SMEs overall performance, as proven via way of means of their statistically tremendous p-values (all 0.000) and increased beta values. This shows that SMEs can enhance their overall performance via way of means of fostering a revolutionary culture, embracing a proactive approach, and bolstering their networks. These elements are vital for maintaining a aggressive gain and fostering enterprise expansion.

Table 3: Path Analysis Structural Equation Modelling (Indirect Effect)

Path	Beta-value	t-value	p-value	Hypothesis	Remark
IN → NT → SMP	0.807	10.20	0.000	H4	Partially Supported
PR → NT → SMP	0.728	8.73	0.000	H5	Partially Supported

Table 3 presents insights into indirect connections between innovative strength (IN), aggressiveness (PR), child networks (NT), and KMP (SMP) performance. The results show that network coupling (NT) affects the relationship between innovative strength, positivity and performance of small and medium-sized businesses. A beta value of 0.807 indicates a robust indirect connection between innovative strength and small business performance through network bonds. This shows that network coupling increases the performance of SMEs by 0.807 units, increasing the innovative strength. A p-value of 0.000 indicates that network bonds partially convey the relationship between innovative strength and performance in SMEs. This shows that innovative strength not only directly affects small and medium-sized enterprise performance, but also indirectly improves performance through network bonds. This shows that innovative small and medium-sized businesses can improve performance and establish and use robust network connectivity. Nevertheless, since innovative strength has a significant impact on performance, Hypothesis 4 has only been partially tested, but network bond mediation is also very important. It emphasizes the need to combine network approaches with innovation for best results.

A beta value of 0.728 indicates a robust indirect connection to small and medium-sized enterprise performance through network bonds. This shows that aggressiveness enhances the network bond, which increases the performance of the SME by 0.728 units. A T value of 8.73 and a P value of 0,000 indicate that network coupling partially conveys the relationship between SME positivity and performance. This shows that aggressiveness indirectly improves small and medium-sized enterprise performance through network bonds. This shows that small and medium-sized businesses actively seeking and pursuing opportunities can improve performance by developing robust networks. Like innovative strength, Hypothesis 5 receives partial support. This is also important because aggressiveness has a significant impact on performance.

Conclusion

The studies investigate how community connections mediate the hyperlink among innovativeness, proactiveness, and the overall performance of SMEs. It indicates that innovativeness has a robust, beneficial, and direct impact at the overall performance of SMEs, suggesting that agencies imposing new ideas, products, and procedures see massive advancements. Moreover, creativity not directly complements overall performance through strengthening community connections, indicating that revolutionary SMEs can in addition raise consequences through making use of outside networks. The research furthermore

famous that proactiveness is a critical issue influencing the general overall performance of SMEs. Companies that adopt proactive, opportunity-targeted strategies are more likely to reap superior ordinary overall performance. Proactiveness moreover impacts ordinary overall performance now no longer without delay via network connections, suggesting that proactive SMEs can beautify their ordinary overall performance via cultivating strategic partnerships.

Furthermore, proof indicates that community connectivity without delay impacts the overall performance of small and medium-sized groups with the aid of using imparting access to precious resources, know-how and possibilities that provide aggressive advantages. Network ties additionally impact the effect of innovativeness and proactiveness on overall performance, highlighting the crucial function of outside family members in reaching commercial enterprise success. In summary, the outcomes display that modern electricity, positivity and community connectivity are key signs of SME overall performance. Each element without delay impacts overall performance, concurrently growing in a roundabout way via community connections, indicating the complicated significance of the community for higher outcomes.

Theoretical Implications

The theoretical contributions of this study, based primarily on social capital theory (SCT) and resource view (RBV), provide important facts of strategic network connections, innovation and positive action. SCT highlights the importance of connections and social interactions in obtaining domains, facts, and support. The research effects emphasize the important feature that network connections serve in fostering innovation and proactive moves inner small and medium enterprises. SCT suggests that SMEs proudly owning robust social capital are more capable of partnering with diverse stakeholders, collectively with customers, suppliers, and company colleagues, thereby improving their visibility and developing new industrial company prospects. This reinforces preceding studies thru manner of approach of Kusumawardhani (2013) and Lumpkin & Dess (2005), demonstrating that network connections promote innovation and allow SMEs to stand out withinside the market. Through utilizing social capital, SMEs can tap into important knowledge, market trends, and modern concepts, the usage of every innovation and initiative. These effects bolster the idea that network connections are critical for strategically managing relationships, supporting SMEs in developing competitive benefit and achieving long-term sustainability.

RBV additionally shows that businesses that strategically control and use sources will surpass their competitors. This study shows that small and medium-sized businesses use robust network connectivity actively adapting to changing market conditions, leading to improved performance and resilience. With the combination of SCT and RBV, this study provides a detailed framework for recording how SMEs improve performance through innovative strength, positivity, and network connections. SCT highlights the social aspects of relationships, while RBV focuses on the strategic use of resources. Overall, these theories demonstrate how small and medium-sized businesses generate both social and physical resources in both access and profit, achieving exceptional performance. This combined strategy highlights the importance of external partnerships and internal resource handling for the success of small and medium sized companies. Research shows that small and medium-sized businesses can achieve sustainable growth and competitive benefits by creating this connection to not only generate robust network connectivity, but also to promote innovation and flexibility.

Practical Implications

The rational impact of these studies provides critical insights for small and medium-sized businesses that prioritize innovativeness, proactiveness and network ties. To achieve innovation, small and medium-sized businesses need to focus their attention on creating subcultures that support the technology of modern ideas, products and processes that can significantly improve overall performance and the offensive edge. To increase proactive strategies, SMEs want to include positive thinking to use and highlight future opportunities to have positive benefits. This positive mindset is extremely important for flexibility and continuous development. To adorn network ties, small businesses want to promote and maintain strong relationships with key stakeholders, consisting of suppliers, customers and corporate collaborators. These hyperlinks provide approval of critical resources, knowledge and opportunities, improving the overall performance and position of the market.

For most fulfilling results, SMEs must integrate their innovation and proactive projects with powerful networking strategies. Networking complements the advantages of innovation and proactivity at the same time as additionally growing new possibilities for increase through collaboration and sharing resources. By fostering outside relationships, SMEs can get access to new markets, decorate their abilities, and make certain lasting success, underscoring the importance of strategic involvement with networks as a critical detail in their increase plans.

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