**Demographic Characteristics and Entrepreneurial Success of Information and Technology Enterprises in Rivers State**

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**Abstract**

This study examined the relationship between demographic characteristics and entrepreneurial success of information technology enterprises in Port Harcourt that are registered with the Port Harcourt chamber of commerce. The two dimensions of demographic characteristics namely age and sex informed the two research objectives, questions and hypotheses. Our sample size of 86 was drawn from our population size of 112 using the Krejcie & Morgan. Regression analysis was employed to analyze the 75 copies of the questionnaire that was returned with the aid of SPSS, which lead to the conclusion that certain demographic characteristics such as age and sex tend to determine the successes of information and technology enterprises in Port Harcourt as it define the level of agility of SME operators and translate into the successes of the firm. It is therefore recommended that: Operators of information and technology enterprises should consider age when hiring employees as younger employees would bring about success of the enterprise. Operators of information and technology enterprises River State should consider sex when employing as gender of the employee can bring about more patronage for the enterprise.

***Keywords:*** Demographic characteristics, Entrepreneurial Success, Information Technology Enterprises.

**Introduction**

Incorporating information and technology into entrepreneurship is an important agenda of all countries because in the world with rapid changes occurring every now and then, no one country is willing to be left out. In fact, information and technology enterprises are the tool for rapid advancement in the 21stcentury. Through information and technology every part of the world is connected (Alhyari, Alazab, Venkatraman & Alazab, 2013). Thus, the citizens of each country should acquire information and technological skills and knowledge to be able to go through the ever changing world. As a result of the explosion of information and technology; the whole world is now the business environment and the entire world exists in such enterprises (Cooke-Davies, 2002). Entrepreneurs are easily connected to the rest of the world and information is easily accessible with a click of a mouse and this brings about huge success for such firms.

Van Vuuren (1997) noted that entrepreneurial success is the achieving of set entrepreneurial goals. In addition, Ladzani and Van Vuuren (2002) argues entrepreneurial success utilizes the available opportunities to grow the business idea. However, entrepreneurial success can be measured subjectively and objectively; absolute success is used to measure objective values using quantitative data while subjective values uses qualitative data by asking perceptive views about success. Entrepreneurial success ensures enterprise’s set objectives are attainable and actions taken in future to improve or enhance success (Alhyari et al., 2013).

On the other hand, Dhar and Hoch (1997) argue that demographics could vary across retailers because of differences in targeting, positioning, and succeeding. Earlier, Dhar and Hoch (1997) found that entrepreneurial success comes based on age, sex, education, etc. Frigo (2001) suggested that certain demographic characteristics tend to estimate entrepreneurial success on: (1) family size, (2) age, (3) income, (4) education, (5) working female presence, and (6) occupations. Including these variables affords the opportunity to test their importance relative to consumer perception in determining own brand quality.

Some of the most important characteristics of a population are its age and sex structure. Age and sex influence many demographic trends. An understanding of the age and sex structure of a population provides insights into changing population composition and highlights social and economic challenges (). All levels of government need information on age and sex composition of the population in planning, development and provision of services.

Age and sex are the most important factors that affect mortality and health and are the main characteristics by which analyses have been carried out in this report. There is a large literature focusing on sex differences in health and mortality. While different authors argue on the importance of either biological or socio-economic and behaviour factors in these sex differences, it is generally agreed that women live longer than men. On average, women in developed countries live more than five years longer than men (Dhar & Hoch, 1997).

Based on the above, several research works that had been conducted on demographic characteristics and entrepreneurial success respectively (Van Vuuren, 1997) had not been exhaustive enough to ascertain the influence of demographic characteristics on entrepreneurial success of information and technology enterprises in Rivers State. Given this gap in literature, our point of departure is to empirically fill this vacuum that has been observed; hence we intend to ascertain the influence of demographic characteristics on entrepreneurial success of information and technology enterprises in Rivers State.

**Research Hypotheses**

This research work is guided by the following propositions stated in the null form:

**Ho1:** There is no significant relationship between age and entrepreneurial success of information and technology enterprises in Rivers State.

**Ho2:** There is no significant relationship between sex and entrepreneurial success of information and technology enterprises in Rivers State.

**Literature Review**

**Theoretical Framework**

The theoretical basis of this study is based on resource-based view theory and supported by psychological theory. It true, that most empirical studies (e.g. Ladzani & Van Vuuren, 2002) have depend on these theories as baseline theories for demographic characteristics and entrepreneurial success.

**Resource-Based View Theory**

The Resource-Based View (RBV) theory was developed in the 1980s. The Resource-based view (RBV) has gained prominence in the field of management research over the last decades. It focuses on the human resources and the way they are deploy by management in the organizations, and how they contribute to the creation and development of value within the firm (Sexton and Bowman, 1985).

The resource-based view of the firm (RBV) and the resultant resource-based theory (RBT) provide an important frame-work for explaining and predicting the basis of a firm’s competitive advantage and performance (Srivastava, Fahey & Christensen, 2001). Even though prior works have identified organizational resources as important to a firm’s success (Srivastava, Fahey & Christensen, 2001), the dominant paradigm held that industry-level factors determined each firm’s profit potential (Priem & Butler, 2001).

**Psychological Theory**

This historic view imply that entrepreneurs are not equally distributed in the population, minorities, or on the basis of religion, ethnic, migration or displaced elites have provided most of the entrepreneurial talent but not all the minority groups are the sources of entrepreneurship. However, Sexton and Bowman (1985) argued that the marginal situation is not the guarantee for the success of entrepreneurship. Entrepreneurial behavior is a function of the surrounding social structure and it is influenced by manipulable economic and social incentives (Sexton & Bowman, 1985), hence this model is based upon experimental psychology but identifies sociological variables as the determinants of entrepreneurial success.

**Demographic Characteristics**

Demographics is the study of general and particular population factors such as race, gender or occupation, as well as population density, size and location (George & Jones, 2011). Demographics are the quantification of statistics for a given population and are used to identify the study of quantifiable sub-sets within a given population (George & Jones, 2011). Demographic characteristics are widely used variables, in relation to entrepreneurial success and, as is shown in literature, there is a significant role of demographic factors in determining entrepreneurial success. Demographic factors such as age, gender, marital status, education and job tenure are included in many studies of the impact of demographic factors on success. George and Jones (2011) further emphasize that age is related to success in a way that older employees are more committed compared to younger employees and newcomers in an organization (George & Jones, 2011). However, marital status is also a demographic factor, which influences success. Current literature shows that married people are more committed than single people. This is because they need a stable job, due to their perceived responsibility for their families. It is clear that this success comes from concern for the economic safety of their families. Finally, education is yet another factor which can influence entrepreneurial success in a way that people with lower educational level and qualification are more committed to their organizations, as they rarely change their jobs.

**Entrepreneurial Success**

Indeed, a myriad of perspectives, ranging from mere survival to the achievement of certain levels of success, exist about such a concept in the entrepreneurship literature. Very often, success, survival, growth are sometimes used interchangeably. Besides the multi-dimensional aspect of success, variables that contribute to the success of small and medium scale enterprises are not unanimously agreed upon by researchers. While some analysts suggested that the dynamics of the success of businesses remain a black box (Cooke-Davies, 2002), others argued that the success of enterprises is a function of both external and internal factors. Small business success is as a result of a strategy, which is consistent with an organization’s overall vision or mission and objectives or goals (Frigo, 2001).

Various studies were implemented to identify the critical success factors in achieving organizational excellence in different industries such as age and size. Cole (2005) found that the probability of success generally increases with the age and size of the firm, especially small and medium scale enterprises. Dubrin (2012) noted that small business success is achieved in the process of creating a work environment in which individuals are enabled to perform to the best of their abilities.

**Methodology**

The cross-sectional research design was employed for the study. The accessible population which is a subset of the target population is small businesses in Port Harcourt. One hundred and twelve randomly selected operators of information technology enterprises in Rivers State that are registered with the Port Harcourt Chamber of Commerce were selected for this study. Simple random sampling technique was use. Krejcie & Morgan table was adopted for sample size determination which gave a sample size of eight-six information technology enterprises in Rivers State from the population size one hundred and twelve. The study instrument satisfied face and content validity. The reliability of the instrument on demographic characteristics returned good internal consistency with age items returning a Cronbach Alpha α value of 0.88, sex items showed internal consistency of α = 0.82.

**4.0 Results and Data Analysis**

**Table 1: Model Summary of the Variables**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Model Summary** | | | | |
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .929a | .863 | .861 | .275 |
| a. Predictors: (Constant), Age, Sex | | | | |

*Source: SPSS Output*

The model summary reports a correlation coefficient value of .929a for all the dimensions of demographic characteristics indicating that there exists a positive association between them and entrepreneurial success of corporations studied; the R square value of .863 (86.3%) represents the coefficient of determination which is the explained variation in entrepreneurial success as accounted for by the dimensions of demographic characteristics.

**Table 2: Regression Output used to test the stated null Hypotheses**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Coefficientsa** | | | | | | |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| B | Std. Error | Beta |
| 1 | (Constant) | 5.781 | .086 |  | 67.498 | .000 |
| Sex | .767 | .050 | .889 | 15.374 | .000 |
| Age | .530 | .140 | .444 | .762 | .027 |
| a. Dependent Variable: Entrepreneurial success | | | | | | |

*Source: SPSS Output*

***Decision Rule:*** Accept the null hypothesis (H0) if the tabulated value is greater than the critical value (P-value) at 0.05 which is the tolerable error of 5%; otherwise accept the alternate hypothesis (Alhyari et al., 2013).

**H01:** There is no significant relationship between Sex and entrepreneurial success.

The results from the regression analysis indicated that Sex reported a positive effect on entrepreneurial success (β = .889, 0.01) thus yielding a calculated value of .000 which is less than the P-value set at 0.05 (r = .000 < .05) resulting to non-acceptance of the stated null hypothesis **(H01)** implying that there exists significant relationship between Sex and entrepreneurial success.

**H02:** There is no significant relationship between Age and entrepreneurial success.

The results from the regression analysis indicated that Age as a dimension of workplace conflict management strategy reported a positive effect on entrepreneurial success (β = .444, 0.05) thus yielding a calculated value of .027 which is less than the P-value set at 0.05 (r = .027 < .05) resulting to non-acceptance of the stated null hypothesis **(H02)** implying that there exists significant relationship between age and entrepreneurial success in information and technology enterprises in River State.

**5.0 Conclusion and Recommendations**

In conclusion however, certain demographic characteristics such as age and sex tend to determine the successes of information and technology enterprises in Port Harcourt as it define the level of agility of SME operators and translate into the successes of the firm. It is therefore recommended that:

1. Operators of information and technology enterprises should consider age when hiring employees as younger employees would bring about success of the enterprise.
2. Operators of information and technology enterprises River State should consider sex when employing as gender of the employee can bring about more patronage for the enterprise.

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