



Moderated-Mediation of Entrepreneurial Business Network and Competitive Advantage on the Relationship between SMEs Determinants of Sustainable Performance in Nigeria: A Proposed Conceptual Framework

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Abstract

The inability of Small and Medium Enterprise (SMEs) to sustain their long-term performance necessitates the need for this study. Therefore, the paper proposes a conceptual framework that highlights the moderated-mediation role of entrepreneurial business network and competitive advantage on the relationship between SMEs determinants of sustainable performance. Specifically, the study believes that competitive advantage may act as a mediator between entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT on the sustainable performance. In addition, entrepreneurial business network was proposed to moderate the relationship between competitive advantage and sustainable performance. Also, the study proposed the use of quantitative research approach to collect data from owner manager of SMEs. Furthermore, partial least square structural equation modelling (PLS-SEM) using SmartPLS 4 software was propose as technique of data analysis. Lastly, the study proposed testing the model in developing countries like Nigeria.

Keywords: Competitive Advantage, Entrepreneurial Business Network, Entrepreneurial Orientation, Ethical Sensitivity, SMEs Sustainable Performance

1. Introduction

The sustainable performance of small and medium enterprises (SMEs) has received a significant global concern among scholars and practitioners. This is due to the fact that SMEs contributed significantly to the achievement of the Sustainable Development Goals (SDGs) through encouraging inclusive and sustainable economic growth, the creation of jobs, the promotion of sustainable industrialization, the encouragement of innovation, and the reduction of income disparity in developing nations (Endris & Kassegn, 2022; Verma, 2019; Organization for Economic Cooperation & Development [OECD], 2017). According to International Labour Organisation [ILO] (2019), 70% of

employment opportunity in developing countries is generated by SMEs and self-employed individuals. For instance, SMEs in China was estimated to be more than 90% of enterprises and contributes more than 50% of taxation, more than 70% of technological innovation, more than 60% of GDP, and more than 80% of urban labour employment (Zhou, 2019). Similarly, SMEs in South Africa contributes to 61% of employment and 57% to South African GDP (Sa'id, Abdul Talib & Hassan, 2019). Moreover, it is estimated that between 90-95% of all enterprises Nigeria are within the NMSMEs category, and SMEs contribute to about 43.2% of the total employment and less than 10% to the non-agricultural



GDP (Small and Medium Enterprises Development Agency of Nigeria [SMEDAN], 2021).

Meanwhile, SMEs contributes greatly in the area of employment generation and to GDP of the above-mentioned countries, and surprisingly the sector experience higher rate of failure as most of them failed within their first five years in operation which translates to their lack of sustainable performance. For example, *50% failure rate was recorded in China* (Sun, Zhou & Zhang, 2023); 62% in United Kingdom (UK Business Statistics Report, 2023); and 60% in Ghana (Ahmed, Akyen & Anaman, 2023). In Nigeria however, SMEDAN reported that 80% of SMEs fail before their fifth anniversary (Ikpot, 2023). This implies that the rate of SMEs failure in Nigeria is higher than other mention developing countries and hence translates to their lack of sustainable performance.

Sustainable performance is concern with the practice or integration of economic, social and environmental aspect of performance (Al-Sharafi, Iranmanesh, Al-Emran, Alzahrani, Herzallah & Jamil, 2023). Therefore, the issue of sustainable performance might be due to the fact that SMEs especially those in developing country like Nigeria concentrates on the economic (financial) aspect of sustainable performance; while neglecting or given less attention on the social and environment aspect. This can be confirmed from Klynveld Peat Marwick Goerdeler [KPMG] (2023) report which established that only 44% of SMEs in Nigeria practice business sustainability compared to 77% in South Africa and 87% in United Kingdom. In order to provide strategy to address the issue affecting the sustainable performance among Nigerian SMEs, the government introduced Economic Sustainability Plan in 2020 and injected about ₦2.3 trillion to support SMEs sector to sustain their performance (Anam, Ijim, Ironbar, Otu, Duke & Achuk Eba, 2024). Therefore, empirical evidence from the literature

identified lack of entrepreneurial orientation, unethical practice in the firms, inadequate access to finance, poor access to information and communication (ICT), lack of competitive advantage and entrepreneurial business network impedes Nigerian SMEs to achieve sustainable performance (Salisu & Naala, 2022; Chatti & Majeed, 2022; Adamu, Wan & Gorondutse, 2020; Aigboje, 2020; Mohamad & Chin, 2019). Therefore, these issues need urgent attention particularly in Nigeria where the rate of SMEs sustainable competitive advantage and sustainable performance is very low in order to achieve better sustainable competitive advantage which might assist to increase sustainable performance.

Similarly, several studies such as Adamu, Wan and Gorondutse (2020) proposed different variables like knowledge sharing, ethical sensitivity, access to finance, access to ICT and innovation as SMEs determinants of sustainable performance. But they fail to explain the mechanism through which these variables influence the sustainable performance. In particular, this study proposed a conceptual framework by incorporating competitive advantage to act as mediator between entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT on the sustainable performance of SMEs. This is also in line with the study of Haseeb *et al.* (2019) which established that SMEs can only achieve sustainable business performance through the mediation role of competitive advantage. However, since previous studies (*i.e.*, El-Masry *et al.*, 2021; Styaningrum, Soetjipto & Wulandari, 2020; Haseeb *et al.*, 2019) found significant relationship between competitive advantage and sustainable performance, while others (e.g., Keskin, Ayar Şentürk, Tatoglu, Gölgeci, Kalaycioglu & Etlioglu, 2021; Kaleka & Morgan, 2017) found that relationship between competitive advantage and performance is not always linear and



significant. As a result, this study adds novelty to the framework by introducing entrepreneurial business network to moderate the relationship between competitive advantage and sustainable performance. Therefore, the main objective of this study is to proposed a conceptual framework on the moderated-mediation of entrepreneurial business network and competitive advantage on the relationship between entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT on the sustainable performance of SMEs in Nigeria

The paper is structured as; reviews of the literature including; SMEs sustainable performance, entrepreneurial orientation and SMEs sustainable performance, ethical sensitivity and SMEs sustainable performance, access to finance and SMEs sustainable performance, access to ICT and SMEs sustainable performance, and how competitive advantage plays a mediating role on the relationship between entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT on the sustainable performance, then how entrepreneurial business network moderated the mediation of competitive advantage on the relationship between entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT on the sustainable performance. In addition, the conceptual and theoretical framework for the study was proposed and lastly, propositions and directions for future research are offered

2. Literature Review

SMEs Sustainable Performance

Sustainable performance is defined as the ability of the organization to achieve its business and increase value for shareholders, taking into account the long-term economic, social and environmental responsibility (Al-Abbadi & Abu Rumman, 2023). According to Hadi and Baskaran (2021) sustainable performance

is defined as attaining and upholding economic, environmental, and social performance in any circumstance. Consequently, sustainable performance is when economic, social and environmental performance are all considered (Hui *et al.*, 2024). This is good for the society and the environment and provides businesses with a competitive edge as well as economic sustainability benefits (Hui *et al.*, 2024). It is concluded that sustainable performance centred on the balanced and synergy associations between the economic (financial), social, and environmental dimensions. These dimensions are termed the triple bottom line approach which emerged as a potential way to define a business's sustainable performance: measuring performance not only in the economic aspect, but also on the social and environmental aspect (Elkington, 1998). In this study therefore, sustainable performance refers to the ability of SMEs to effectively and efficiently integrate economic, social and environmental performance in order to sustain their short-term and long-term business performance.

Entrepreneurial Orientation and SMEs Sustainable Performance

Entrepreneurial orientation can be described as the processes, practices, and decision-making activities that result in new entry (Lumpkin & Dess, 1996). It is the sum of an enterprise innovativeness, proactivity, and risk-taking (Miller, 1983). These dimensions have been widely used in prior studies (Moreno & Casillas 2008; Covin & Slevin 1989). Later, Lumpkin and Dess (1996) added two dimensions; competitive aggressiveness and autonomy. Hence, entrepreneurial orientation has five dimensions: innovativeness, proactiveness, risk-taking, competitive aggressiveness, and autonomy (Lumpkin & Dess, 1996; Miller, 1983). The literature suggests that entrepreneurial orientation is best seen as a unidimensional construct (Covin & Slevin 1989), so this study views entrepreneurial orientation as a unidimensional construct,



referring to the organizational behavior that reveals the degree to which SMEs have adopted.

Previous studies have found significant relationship between entrepreneurial orientation and SMEs sustainable performance. For example, Abid, Ceci and Aftab (2023) investigates the impact of entrepreneurial orientation on sustainable business performance, while considering the mediating role of innovation capabilities between entrepreneurial orientation -sustainable performance and the moderating effect of technology dynamism on the entrepreneurial orientation -innovation capabilities. The findings reveal a direct positive influence of entrepreneurial orientation on sustainable performance. In addition, Jayawardhana (2021) investigate the relationship between open innovation, entrepreneurial orientation and sustainability of small and medium enterprise (SMEs) in Sri Lanka. The results reveal that entrepreneurial orientation significantly influences sustainability of SMEs. Similarly, study of Amankwah-Amoah *et al.* (2019) discussed the link between entrepreneurial orientation and environmental sustainability of manufacturing SMEs in Ghana. Their results showed that entrepreneurial orientation has positive and significant effect on environmental sustainability. To replicate previous findings, the study proposed the following hypotheses:

Hypotheses 1: Entrepreneurial orientation does not relate to SMEs sustainable performance.

Ethical Sensitivity and SMEs Sustainable Performance

According to Rest (1983) ethical sensitivity is a fundamental component of ethical action. They argued that ethical sensitivity deal with the ability to identify ethical and moral implications of situation (Lepper, 1996). Notably, there are four basic components that make an individual to behave ethically. These include; moral

sensitivity, moral judgement, moral motivation and moral character (Rest, 1983). Moral sensitivity involves interpreting the situation and how people will be affected by possible actions (Iqbal, Hassan & Arshad, 2017). Moral judgement comprises the situation in which a person identifies the best possible course of action (Lepper, 1996). Moral motivation encompasses the situation where a person selects amongst the various possible outcomes and intends to act morally (Iqbal *et al.*, 2017). Moral character contains person implementing and executing the chosen moral course of action (Lepper, 1996). However, several scholars have been defined the concept of ethical sensitivity in many ways and in different field of study. For instance, according to Iqbal *et al.* (2017) ethical sensitivity is the ability to understand ethical characteristics of a situation, the involved actors of situations and the actions that can take place in response to the situation. Similarly, ethical sensitivity in the field of business organization refers to the act of recognizing and understanding ethical aspect of work situations to meet the needs of its stakeholders such as oneself, one's employer, customers, stockholders, creditors, suppliers, colleagues, competitors, and any other community or group that might be affected by decisions involving ethical issues (Blodgett, Lu, Rose & Vitell, 2001). In this study therefore, ethical sensitivity refers to the ability of SMEs to identifies and understand the presence of ethical issues in an organization and making the right decision in evaluating them in a manner that it will meet the needs of its stakeholders.

Preceding empirical studies have also found significant relationship between ethical sensitivity and SMEs sustainable performance. For instance, a study conducted by Tushabe (2022) examines the relationship between individual ethical orientation, ethical sensitivity and



performance of third-party logistics firms in Uganda. The study revealed a positive and significant relationship between ethical sensitivity and performance. Additionally, Billah *et al.* (2023) investigate the effects of internet of things, supply chain collaboration and ethical sensitivity on sustainable performance: moderating effect of supply chain dynamism. The results showed that there were statistically significant and positive relationships between IoT and supply chain collaboration, social, economic and environmental performance. Ethical sensitivity also influenced social and economic performance. However, no link was found between ethical sensitivity and environmental performance. Moreover, Adamu *et al.* (2020) investigate the relationship between ethical sensitivity and sustainable performance of SMEs in Nigeria. The findings of the study indicate a significant positive relationship between ethical sensitivity and sustainable performance of SMEs. In other word, the findings of the study indicate that the practice of ethical sensitivity in SMEs will not only be to improve their economic performance but also to improve both social and environment performance. To replicate prior results, the study proposed the following hypotheses

Hypotheses 2: Ethical sensitivity does not relate to SMEs sustainable performance.

Access to Finance and SMEs Sustainable Performance

Adomako *et al.* (2016) defined access to finance as the accessibility of financial resources either from internal or external sources for the enterprise survival and growth. In other words, Bouri, Breij, Diop et al. (2011) defined access to finance as the availability of financial resources (both internal and external) for SMEs. As a result, internal finance is concerned with raising finances through personal savings, as well as retaining profits and from friends and relatives. However, if the company grows, its finance needs may expand

beyond these internal sources. The next source is external finance, which is merit-based and evaluated by financial institutions. There are two main types of external finance: debt and equity. Debt financing entails the purchase of interest-bearing instruments. They are secured by asset-based collateral and have term arrangements, which can be short or long term. The equity component of external funding offers the financier the right to own the business and may not require security because the equity participants will be involved in the business's management (Oguijiuba, Ohuche, & Adenuga, 2004). However, Adamu *et al.* (2020) defined access to finance as the accessibility of financial capital such as debt borrows and equity for SMEs. In this study therefore, access to finance is defined as the ability of SMEs to access financial capital (internal and external) with minimal or no financial and non-financial barriers. Extant studies found significant relationship between access to finance and SMEs sustainable performance. For instance, study of Assifuah-Nunoo (2023) investigate the relationships between access to finance, financial literacy, and small and medium-scale enterprises' (SMEs') sustainable performance. The results show that access to finances has a significant effect on firm sustainability. Equally, study conducted by Tang (2022) in his study found that access to finance is significantly influences small firms' sustainability. Patrick *et al.* (2021) in their study found that access to finance has a significant effect on business sustainability in central region in Uganda. To replicate extant studies findings, the study proposed the following hypotheses

Hypotheses 3: Access to finance is significantly related to SMEs sustainable performance.

Access to ICT and SMEs Sustainable Performance

According to Yao, Peng, Kurnia and Rahim (2022) ICT is broadly defined as a



combination of hardware, software, mobile devices, infrastructure, and networks that enable individuals and organizations to capture, store, process, manage and share data. Therefore, access to ICT is the capability of firm to access and use of modern ICTs like GSM, computer, email and internet (Okojie & Omoregbee, 2012). However, it has been argued that not all SMEs have the accessibility of ICT tools such as computers, telephone, network, satellite system, internet, hardware, software as well as other applications due to high cost of installation (Arefin & Tawfiqur, 2021; Sołek-Borowska, 2018). Therefore, this study argues that once SMEs have access to different ICT tools it might have tendency to achieve sustainable performance will be high. Hence, access to ICT in this study refers to the ability of SMEs to locate and use ICT resources such as computing platforms, applications, internet facilities, office mobile phone and all other necessary ICT resources that can assists the enterprises to sustain their long-term performance.

Prior studies found significant relationship between access to ICT and SMEs sustainable performance. Evangelista and Hallikas (2022) explored the influence of ICT on sustainability in purchasing and supply management companies. The results indicated that both operational and tactical procurement ICT systems positively influence sustainability practices in PSM. Furthermore, Salisu and Naala (2022) in their study found that access to ICT is positively and significantly related to sustainability of SMEs. However, Bakare, Madukoma and Umar (2022) examined the influence of ICT use on SMEs performance in the North Central geo political zone of Nigeria. The study found that the level of ICT use of SMEs in North Central geo-political zone, Nigeria is low. To replicate prior studies findings, the study proposed the following hypotheses

Hypotheses 4: Access to ICT is significantly related to SMEs sustainable performance

Mediating Role of Competitive Advantage

Even though several researches had established that entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT are positively and significantly related to sustainable performance of SMEs, both theory and empirical evidence provide a clear and logical argument as to why entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT may predict sustainable performance of SMEs. In particular, RBV described by Barney (1991) suggests that competitive advantage might be a fundamental reason why entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT are related to sustainable performance of SMEs. Competitive advantage as discussed earlier refers to the ability of a firm to use its unique resources to create offerings in terms of differentiated product, market sensing, customer and competitor responsiveness better than that of its competitors (Ramaswami *et al.*, 2004). According to RBV theory, an enterprise will gain a competitive advantage when it integrates different sets of unique resources and capabilities which in turn lead to the sustainability of its business. Therefore, the present study argued that competitive advantage may perform a mediating role in the relationship between entrepreneurial orientation, ethical sensitivity, access to finance, access to ICT and sustainable performance of SMEs for the following reasons.

First, the entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT which constitutes the independent variables of this study has found in extant empirical studies to be positively and significantly related to sustainable performance (*i.e.*, the dependent variable). More specifically,



Mullens, (2018) investigates the relationship between entrepreneurial orientation and sustainability initiatives in family firms in the south western USA. The findings indicate that entrepreneurial orientation is significantly and positively related to investments in sustainability initiatives. Equally, Adamu *et al.* (2020) investigate the relationship between ethical sensitivity and sustainable performance of SMEs in Nigeria. The findings of the study indicate a significant positive relationship between ethical sensitivity and sustainable performance of SMEs. Likewise, Patrick *et al.* (2021) analysed the effect of AF on sustainability of SMEs in central Uganda. Findings of the study revealed that AF has a significant effect on business sustainability in central region in Uganda. Also, Onileowo and Fasiku (2021) investigate the influence of ICT on financial sustainability of SMEs in Nigeria. The study showed that ICT played an important role in improving the firm productivity, profitability and thus overall financial sustainability.

Second, previous empirical research has also found that entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT are significantly related to competitive advantage (Alharbi & Alharbi, 2019; Samoedra & Deni Hermana, 2019; Qosasi, Maulina, Purnomo, Muftiadi, Permana & Febrian, 2019). Also, RBV theory confirms that if a firm integrates different set of unique resources and capabilities such as the independent variables of this study (entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT) will achieve competitive (Barney, 1991). As a result, this study argued that competitive advantage can be achieved if firms are able to integrate entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT as part of their business strategy.

Third, previous studies (*e.g.*, Saputra, Subroto, Rahman & Saraswati, 2023) have established a significant relationship between competitive advantage and sustainable performance, while others (*e.g.*, Nguyen, Tran, Nguyen & Truong, 2021; Sinaga & Gallena, 2018) revealed that competitive advantage has a positive and significant impact on firm performance. But in the case of sustainable performance, very few studies examined the relationship between competitive advantage and sustainable performance. For example, Aidara *et al.* (2021) found that competitive advantage has significant effect on economic performance (sustainability). In the same vein, Styaningrum, Soetjipto and Wulandari (2020) found that competitive advantage has a significant impact on SMEs' sustainability. On the contrary, other empirical studies (*e.g.*, Keskin, Ayar Şentürk, Tatoglu, Gölgeci, Kalaycioglu & Etlioglu, 2021; Kaleka & Morgan, 2017; Strandskov, 2006) found that relationship between competitive advantage and performance is not always linear and significant. This may happen especially when a firm adopts a generic strategy that is similar with other firms in the industry. Finally, extant research suggested that competitive advantage mediates the relationship between entrepreneurial orientation, ethical sensitivity, access to finance, access to ICT and sustainable performance of SMEs. For instance, Samoedra and Hermana (2019) contended that competitive advantage mediates the relationship between entrepreneurial orientation and sustainability. They argued that competitive advantage is important to encourage economic, social and environmental initiatives. Similarly, Styaningrum *et al.* (2020) in their study found that competitive advantage has direct positive effect on sustainability of SMEs and competitive advantage mediates the relationship between intellectual capital and SMEs sustainability.



It is suggested by the study that future research should develop a study by looking at other factors to see if it can determine SMEs sustainability, under the mediating role of competitive advantage which this present study intend to develop and explore.

Given the theoretical and extant empirical studies reviewed earlier, this study therefore expects competitive advantage to mediate the relationship between entrepreneurial orientation, ethical sensitivity, access to finance, access to ICT and sustainable performance of SMEs in such a way that entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT will be related to competitive advantage, which in turn will enhance sustainable performance. In other word, competitive advantage was introduced to play a mediating role on the relationships between entrepreneurial orientation, ethical sensitivity, access to finance, access to ICT and sustainable performance of SMEs. In this regard, the study proposed the following hypotheses:

Hypothesis 5: Competitive advantage does not significantly mediate relationship between entrepreneurial orientation and SMEs sustainable performance

Hypothesis 6: Competitive advantage does not significantly mediate relationship between ethical sensitivity and SMEs sustainable performance

Hypothesis 7: Competitive advantage does not significantly mediate relationship between access to finance and SMEs sustainable performance

Hypothesis 8: Competitive advantage does not significantly mediate relationship between access to ICT and SMEs sustainable performance

Moderated-Mediation of Entrepreneurial Business Networks and Competitive Advantage

As noted in the preceding section, previous studies examining the relationship between competitive advantage and sustainable

performance have reported mixed findings. These inconsistencies suggest the need to introduce a moderator variable to affect competitive advantage and sustainable performance relationships. Hence, the present study suggests entrepreneurial business networks as a moderating variable worthy of incorporation into our proposed model. According to Soda, Usai and Zaheer (2004) entrepreneurial business networks is a business social networking, which helps business people to connect and communicate with other entrepreneurs and managers to expand business interests by forming mutually beneficial business relationships. It involves building a network contacts between firm and its suppliers, customers and competitors (Abbas *et al.*, 2019). Therefore, the underlying reason for choosing entrepreneurial business networks to moderate the relationship between competitive advantage and sustainable performance is generally based on the fact that business networking power might determine the survival and the success of SMEs ventures; either it is a new or existing business (Abbas *et al.*, 2019). It also helps SMEs to gain access to different resources which are paramount to the sustainable growth (Minai, Ibrahim & Kheng, 2012). On this note, entrepreneurial business network is likely to play an important role in moderating the relationship between competitive advantage and sustainable performance. It signifies that the interaction between entrepreneurial business network and competitive advantage might likely create sustainable competitive advantage which can assist to achieve sustainable performance.

Similarly, several studies have examined the effect of entrepreneurial business network on sustainable performance. For example, Abbas *et al.* (2019) explored how dynamic capabilities mediate the relationship between entrepreneurial business network and sustainable



performance of SMEs. The findings indicated that the entrepreneurial business network had a significant positive relationship with sustainable performance. In addition, Adudu, Terlumun and Kabiru (2021) investigated the impact of business networking on the performance of SMEs in Benue State, Nigeria. The analysis revealed that business networking has a positive and significant effect on the performance of SMEs.

However, none of the empirical study to the best of the researcher knowledge examined how entrepreneurial business network interacts with competitive advantage to influence sustainable performance. This is particularly essential to determine how entrepreneurial business network could make the weak relationships between competitive advantage and sustainable performance stronger. Therefore, Resource Based View (RBV) theory had a primary contribution in explaining these relationships (Barney, 1991). This is because the RBV theory postulates that the basis for achieving competitive advantage and sustainable performance depends on the firm's ability to utilize the available bundle of valuable intangible and tangible resources such as

Conceptual and Theoretical Framework

Based on the previous research, a conceptual framework (Figure 1) has been developed. The proposed conceptual framework depicts the moderation-mediated role of entrepreneurial business network and competitive advantage on the

entrepreneurial business network (Barney, 1991).

Based on the above theoretical and empirical reviewed, this study assumed that relationship between competitive advantage and sustainable performance will be stronger if entrepreneurial business network is high. This signifies that the interaction between entrepreneurial business network and competitive advantage if it became stronger can create sustainable competitive advantage which might increase sustainable performance. In a nut shell, modelling entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT as the IVs in a single model and moderated-mediation role of entrepreneurial business network and competitive advantage on the relationship between these IVs against SP of SMEs has not been previously explore and thus, serves as great contributions of this present study. In this regard, the study proposed the following hypothesis.

Hypothesis 9: Entrepreneurial business network does not significantly moderate the relationship between competitive advantage and SMEs sustainable performance

relationship between entrepreneurial orientation, ethical sensitivity, access to finance, access to ICT, competitive advantage, entrepreneurial business network and SMEs sustainable performance.

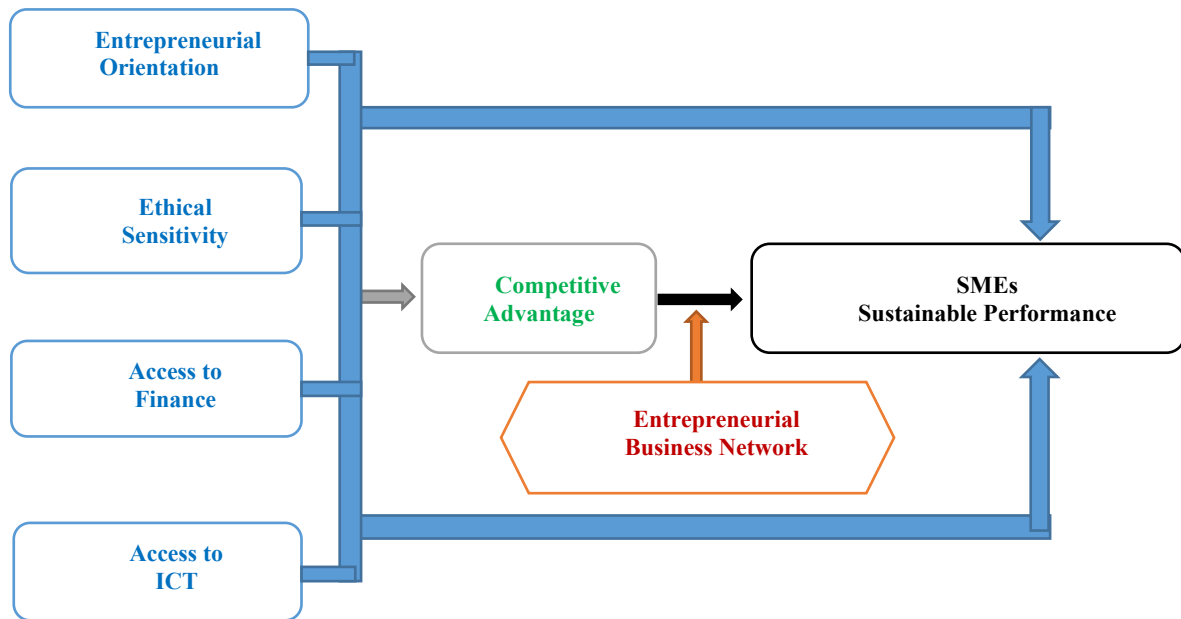


Figure 1: *Conceptual Framework*

The study proposed three theories to explain the relationship between entrepreneurial orientation, ethical sensitivity, access to finance, access to ICT, competitive advantage, entrepreneurial business network and SMEs sustainable performance. Precisely, Resource Based View (RBV) theory, Stakeholder (STH) theory and Triple Bottom Line (TBL) theory was proposed to explain the conceptual framework of the study

3. Conclusions and Directions for Future Research

The main objective of this paper was to propose a conceptual model that highlights the moderated-mediation role of entrepreneurial business network and competitive advantage on the relationship between SMEs determinants of sustainable performance. While extant research has examined the direct effect of entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT on the sustainable performance, the findings from these studies were not clear

and hence suggesting the introduction of mediator variable. Specifically, competitive advantage was proposed to play a mediating role between entrepreneurial orientation, ethical sensitivity, access to finance and access to ICT on the sustainable performance. Furthermore, previous studies that examine the relationship between competitive advantage and sustainable performance found conflicting and inconclusive result. To address this gap in the literature, the present paper suggests the need to identify a moderator variable. Precisely, entrepreneurial business network was proposed to moderate the relationship between competitive advantage and sustainable performance. Therefore, the overall contribution of this paper lies in the identification and incorporation of entrepreneurial business network and competitive advantage as moderated mediation between entrepreneurial orientation, ethical sensitivity, access to finance, access to ICT and sustainable performance.



The proposed conceptual framework (Figure 1) suggests some avenues for possible future research agenda. Precisely, the study suggests empirical investigation to test the proposed conceptual framework which will be done by the authors of this study in the future. Also, the study proposed for future research to use partial least square structural equation modelling (PLS-SEM) using SmartPLS 4 software to analyse the data collected as recently proposed by the methodological literature (Hair, Hult, Ringle & Sarstedt, 2022; Ringle, Wende & Becker, 2022). Lastly, future research could consider a comparative study between SMEs determinant of sustainable performance in Nigeria and other developing countries of the world.

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