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Impact of Business Environmental Scanning Behaviour on the Entrepreneurial Performance of Micropreneurs: A Conceptual Framework

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Abstract
Today, business enterprises are generally immersed in a competitive and constantly changing environment. Research has shown that one way through which micropreneurs learn about the environment is Business Environmental Scanning (BES). However, most studies in BES behaviour [i.e., Degree of Interest (DOI) and Frequency of Scanning (FOS)] seem to have focused more on the medium sized and large enterprises, thereby neglecting the microenterprises. More so, it has been established that changes in the environment cause more uncertainties in microenterprises than in the medium sized and large enterprises. These changes ultimately affect the BES behaviour and Entrepreneurial Performance (ENP) of the microenterprises. This effect is influenced by the Entrepreneur and Enterprise Characteristics (IEC/ETC). Thus, this study reviewed extant literature to develop a framework with the following propositions: degree of interest is positively related to entrepreneurial performance; frequency of scanning is positively related to entrepreneurial performance; the relationship between the degree of interest and entrepreneurial performance is moderated by individual entrepreneur characteristics; the relationship between frequency of scanning and entrepreneurial performance is moderated by individual entrepreneur characteristics; the relationship between the degree of interest and entrepreneurial performance is moderated by enterprise characteristics; and the relationship between the frequency of scanning and entrepreneurial performance is moderated by enterprise characteristics. Micropreneurs can thus enhance their ENP by increasing their DOI/FOS and improving on their IEC/ETC. Again, empirical studies using this conceptual framework are suggested so as to validate the propositions and their generalization.
Keywords: Individual entrepreneur characteristics, Enterprise characteristics, BES behaviour, Entrepreneurial performance

1. Introduction

Researchers have alluded to the existence of the following problems in the management of turbulent environments: (i) increasing uncertainty and interdependence in the environment; (ii) wrong perception (enactment) of the environment and/or of environmental information; (iii) failure to receive environmental information in sufficient time so as to act upon problems; and (iv) failure to implement appropriate strategies. This implies that the operations of these business enterprises as going concerns are influenced by the business environment in the society where they are located. This influence is basically the trickle down effects that are occasioned by changes in the environmental factors. Researchers (Aguilar, 1967; Choo, 1993; Hough & White, 2004; Albright, 2004; Jorosi, 2008) in strategic management have asserted that the operations and activities of businesses are affected by external, task and internal environmental factors and, managers identify these factors through Business Environmental Scanning (BES). Organizations, from the microenterprises to the large multinational enterprises, whether public or private sector based, ought ideally to continually monitor its environment in order to identify potential changes in the enterprises environment. The Nigerian National Council of Industry in its 2001 council meeting defined microenterprise as an enterprise with a labour size of not more than ten (10) workers, or a total cost of not more than 1.5 million, including working capital but excluding cost of land (Ebiringa, 2011). According to Nickels et al. (1999), an entrepreneur who owns a business that remains small and maintains a balanced lifestyle is known as a micropreneur.

It would not be accurate to claim that Business Environmental Scanning (BES) behaviour alone would lead directly to better entrepreneurial performance, as performance could be influenced by a combination of various factors (Daft et al., 1988). However, scanning has been found to be associated with faster reaction times, higher growth rates, enhancement of firms' knowledge base and their effective planning horizon (Stoffels, 1994). Also, environmental scanning is generally accepted as being the first step in the process of aligning organizational strategy with the environment (Hambrick, 1982; Beal, 2000). The outcomes of such environmental scanning are usually timely and current information which enhances the enterprises' ability to adopt/adapt new strategies in the operation of their enterprises. Specifically, with effective scanning, organizations obtain more accurate market and industry insights, and hence more likely to satisfy current customers and explore new market segments, successfully develop and market new products/services based on trend analysis, and establish better brand images (Ahituv et al., 1998; Kohn, 2005). This study was therefore restricted to Business Environmental Scanning (hereafter referred to as BES) behaviour as a potential determinant of entrepreneurial performance because BES helps organizations to acquire information about; opportunities, threats referring to their survival, and how to achieve competitive advantage (Lang et al., 1997) which will ultimately contribute to their financial performance (Zhang et al., 2011).Thus, strategists and strategic management scholars generally agree that both large and small firms that align their business strategies with their respective environments are likely to outperform firms that fail to achieve such alignment (Venkatraman & Prescott, 1990).

Most of the previous studies dealing with the conditions of successful business have focused on large companies rather than Small and Medium Enterprises (SMEs) (Gosh & Kwan, 1996; Pelham, 2000). Undoubtedly, changes in the environment cause more uncertainty in SMEs than in large companies. Owing to the fact that SMEs have limited resources to acquire information about the market and consequently changing the course of the enterprise, the response to environmental changes between the large companies and the SMEs are different (Chen & Hambrick, 1995). However, since organizational size is not a determinant of scanning systems effectiveness (Yassai-Aredekani & Nystrom, 1993; Beal, 2000), small enterprises owners/managers still scan their business environment to enhance their performance (Venkataraman & Prescott, 1990; Zhang et al., 2011). More so, the characteristics of the entrepreneur and the enterprise according to Kiganane et al. (2012) are quite crucial and could tremendously affect the overall success of a firm. Olanrewaju (2009) found that entrepreneurial characteristics have strong impact on the entrepreneurial performance of small scale business, while Blackman (2003) asserted that individual entrepreneur's characteristics have direct effect on firm performance.

Despite the results of researches on environmental uncertainty and scanning, there seems much to be explored regarding the extent of the relationship between BES behaviour (i.e., degree of interest and frequency of scanning) of micropreneurs and the entrepreneurial performance of their microenterprises. Also, we argue that individual entrepreneur/enterprise characteristics can constitute an important moderator of the relationship between BES behaviour (i.e., degree of interest and frequency of scanning) and the entrepreneurial performance of microenterprises.

2. Literature Review

2.1. Business Environmental Scanning Behaviour

Perceived environmental uncertainty occurs when: an organization's decision-makers perceive unpredictability in their environment; there is a difference between available information and required information; there is lack of confidence or understanding in the major events or trends happening in the external environment; and the decision makers are unable to accurately assign probabilities to the likelihood that particular events and/or changes will occur (Milliken, 1987; Buchko, 1994). Uncertainty by itself will not lead to scanning unless the external components are perceived to be either opportunity or threat, or better still are important to organizational performance. Weick (1969) asserted that managers respond to what they perceive and such perception may or may not correspond to objective reality. The accuracy with which management perceive the degrees of complexity, stability and uncertainty existing in the external environments, enhances the probability of appropriate organization response and adaptation. On the other hand, unrealistic enacted environmental factors (either through managerial myopia, lack of expertise, insufficient time, or whatever) could have substantial negative effects on organizational performance. Choo (1999) affirmed that managers who perceive the environment to be more uncertain will tend to scan more, as perceived environmental uncertainty is a good predictor of the amount and intensity of scanning.

BES is the acquisition and use of information about events, trends and relationships in an organization's external environment, the knowledge of which would assist management in planning the organization's future course of action (Aguilar, 1967; Auster & Choo, 1993). Organizations scan the environment in order to understand external forces of change so that they may develop effective responses which will secure or improve their position in the future (Choo, 1999). Similarly, Hough & White (2004) viewed BES as a sequence of procedures of identifying, collecting, processing and translating information about external influences into useful decisions and plans. Albright (2004) defined BES as the internal communication of external information about issues that may potentially influence an organization's decision-making process.

Micropreneurs learn about their environment by scanning it directly or learn from others in the industry. They may increase or decrease the degree of interest to scan and frequency of scanning. This is BES behaviour. Hambrick (1982) recommended the measurement of BES behaviour using multiple indicators of degree of interest, frequency of scanning and hours spent scanning. Although degree of interest and frequency of scanning have received widespread support in literature (Sawyerr, 1993; Boyd & Fulk, 1996), the hours per week indicators has not, owing to error variance associated with the employment of the hours spent as a scanning measure (Hoffman & Hegarty, 1984; Daft et al., 1988; Sawyerr, 1993). More so, between degree of interest and frequency of scanning, frequency of scanning has been employed as a measure of scanning in more researches than degree of interest. The degree of interest to scan is the degree to which the executives made it a point to stay abreast of information from each sector. Frequency of scanning on the other hand is the number of time managers receive data about the environment or the frequency of collecting information about each environmental sector (Temtime, 2001; Zhang et al., 2011). Ideally, increase in the degree of interest to scan should lead to frequent scanning, and more frequent environmental scanning should lead to better organizational performance, as scanning could help decision-makers to overcome their perceived uncertainty, to formulate and implement adaptive strategies, and hence enable the organization to achieve harmony with the external environment (Daft et al., 1988; Ahituv et al., 1998).

Martinet & Marti (1995) identified the benefits of strategic information as: imitate the best competitors in the market; develop new products and services; feed decision-making; better selling; increase the company's performance; and obtain competitive advantage. El Sawy (1985) defined the word "strategic" as having potentially large impact on a company's strategies. Thus, based on the flow of strategic information and its uses, Lesca & Lesca (1997) classified strategic information as; control, influence and anticipatory information. Control information is that which is collected, generated or consumed within an organization. It is produced by the firm and oriented to its internal use. Control information include financial information (costs, overhead allocation, profit earned), personal information (training techniques, salary ranges), production control information (inventory management, customer order), or accounting information (balance sheet, bill of customers). Influence information represents internal information that is created for suppliers order, invoice of customers, product catalogue and job supply.

Anticipatory information, also called weak signal by Ansoff (1975) refers to pieces of information that are collected from individuals and groups external to an organization and oriented to company internal use. Also, anticipatory information refers to fragmented information about development and trends, which have not been completely realized, or they have potential consequences, or are perceived to have a significant impact on organizational performance, either as threats or opportunities (Rouibah & Ould-Ali, 2002). Anticipatory information include customer concerns (satisfaction, wishes, problems), market concerns (project under development, new product information, strengths and technological advances of new products information about competition), marketing concerns (how aggressive the marketing competition is, a product line, how much international exposure a product has, and strategies to define and develop markets), competition concerns (debriefing with applicants about former applicants, new research and development projects, conducting telephone surveys of the competitors to discover pricing, or new product information) and general conditions (change in the labour market) (Rouibah, 2003). Since the use of various information sources for scanning is positively correlated with perceived environmental uncertainty and perceived source accessibility as well as quality (Choo, 1993), micropreneurs must strive to ensure that their perceptions of environmental uncertainty always correspond to objective reality.

Scholars have classified sources of strategic information broadly as "internal" and "external". External sources of strategic information originate outside the organization whereas internal sources of strategic information originate within the organization (Aguilar, 1967; El Sawy, 1985; Auster & Choo, 1993; Sawyerr et al., 2000). Furthermore, these two categories are sub-classified into "personal" and "impersonal" sources. Personal sources originate from personal contacts with people inside and outside the organization, while impersonal sources originate from sources such as documents and data base (Aguilar, 1967; Daft & Weick, 1984; El Sawy, 1985; Daft & Lengel, 1986; Auster & Choo, 1993; Sawyerr et al., 2000). Both the internal and external sources of information are considered as pieces of information that have a significant impact on organizational performance, either as threats, opportunities, strengths or weaknesses (Rouibah, 2003).

Some typologies of scanning modes/strategies have been adopted in BES empirical studies. The typology proposed by Aguilar (1967) consists of four categories: (1) undirected viewing – general scanning in which the viewer does not have a particular purpose in mind; (2) conditioned viewing – directed exposure, but not active search of an identified area or type of information; (3) informal search – relatively unstructured effort to obtain a particular bit of information for a specific purpose. An example of such informational search is where a retail shop owner/manager intermittently visits rival stores or shops to get information about the prices being charged and promotional activities within the town so as to price its products/services competitively and react quickly to any price changes or promotional activities by its competitors. All such informal activities cost little to implement and generally lack structure; and (4) formal search – deliberately planned search to obtain specific information for a particular purpose.

Similarly, El Sawy (1985) identified four scanning modes. First, there is the null mode of passive scanning (no scanning in which the owner/manager pushes for unsolicited information). Second, is the "problemistic search", a reactive mode in which the owner/manager is actively searching for solutions to specific problems. Third and fourth, there are two proactive scanning modes which are generally called "surveillance". Surveillance is broken down into two modes: "coincidental surveillance" and "routine monitoring", while "coincidental surveillance" involves the serendipitous surveillance of "non-habitual" information sources. "Routine monitoring" involves the systematic surveillance of "habitual information sources". A "habitual information source" is one that the manager accesses on a regular basis, while a "non-habitual information source" is one in which the manager may never have accessed before or may never access again.

Furthermore, Smeltzer et al. (1988) provided a simple and relevant scanning strategy comprising three modes: irregular, periodic and continuous. Each of the modes refers to the frequency of scanning performed by owners/managers. The irregular mode is characterized by little scanning activity. Also, with respect to periodic scanning, the owner/manager has a pattern of scanning at intervals, while continuous scanning is an integral part of routine work. Aside the employment of scanning modes that enhances managers' ability to frequently acquire timely and strategic information, a number of empirical studies (e.g., West, 1988; Ahituv et al., 1998) have successfully demonstrated that the source and frequency of information collection is likely to result in effective scanning. It is thus evident from available literature in strategic management, that micropreneurs employ different strategies to acquire strategic information. They do this by developing/maintaining certain degree of interest to scan and frequency of scanning.

2.2. Individual Entrepreneur Characteristics

Individual entrepreneur characteristics is referred to entrepreneurship personality characteristics- need for achievement, locus of control, risk taking propensity, tolerance for ambiguity, innovativeness and self confidence (Gurol & Atsan, 2006). It has also been described as significant in identifying opportunities, and achieving profit and growth in the face of risk, uncertainty and challenging business environment (Zimmerer & Scarborough, 2003). Locke & Collins (2003) identified the factors that influence entrepreneurial process as need for achievement, risk taking, tolerance for ambiguity, locus of control, self efficacy and goal setting. Hashim (2005) added that entrepreneurial characteristics include need for achievement, motivation, knowledge, skills and locus of control. To Machirori & Fatoki (2013) entrepreneur's characteristics include gender, age and education.

Islam et al. (2011) noted that individual entrepreneur characteristics include demographic characteristic (i.e., age, gender), individual characteristics (i.e., education, former work experience), personal trait (i.e., self confidence, perseverance), entrepreneurial orientation (i.e., autonomy, innovativeness, risk taking, pro-activeness, competitiveness, aggressiveness and motivation), and entrepreneur readiness (also known as self-efficacy). Kristiansen et al. (2003) found a significant correlation between age of the entrepreneur and business performance. According to Yusuf (1995), personal qualities and traits affect firm success. Duchesneau & Gartner (1990) asserted that lead entrepreneurs in successful firms were more likely to have been raised by entrepreneurial parents, have had a broader business experience, more prior start-up experience, and have had less control of their success in business than unsuccessful entrepreneurs. Education and prior experience in business have been seen as critical success factors for small firms (Yusuf, 1995; Wijewardena & Coorary, 1996). Researchers have argued that success in business is driven by entrepreneurial orientation (Lumpkin & Dess, 2001; Wiklund & Shepherd, 2005). Also, self-efficacy is a person's belief in his or her capability to perform a given task. Cromie (2000) stated that self-efficacy affects a person's beliefs regarding whether or not certain business goals may be attained. Pajares (2000) opined that unless people believe that their actions can produce the outcomes they desire, they have little incentives to act or to persevere in the face of adversities. Kristiansen et al. noted that entrepreneurial readiness is significantly linked to business success.

Individual entrepreneurial characteristics include: education, personal values, age, work experience, moral support network and professional support network (Hisrich et al., 2008). Blackman (2003) categorized the characteristics of entrepreneurs into: (1) attribute – characteristics owned by the entrepreneur. These include age, gender, religion and family influences. According to Shane (2003) attitude towards risk-taking is another crucial attribute of entrepreneurs. This is because enterprises involve risk-taking, and risk-averse entrepreneurs are less likely to exploit entrepreneurial opportunities. Shane further stated that attitude towards risk-taking is entrepreneur's ability and willingness to engage in risky activity. (2) Attained qualifications. These include education and business experience. Shane asserted that, the establishment of the entrepreneur's character is influenced by a number of internal and external factors, namely, the environment, education, personal values and work experience. More so, Shane noted that the identification and exploitation of entrepreneurial opportunity for business start-up or diversification, and subsequent performance depends on the individual attributes of the entrepreneurs. Individual attributes play a vital role in enterprise activity because entrepreneurship involves risk, and attitude towards risk differ between individuals.

Education is one of the characteristics of the entrepreneur that can affect business performance, and business literature support that education and managerial experience contribute to business growth and have positive impact on entrepreneurial performance (Gatewood et al. 2004). Also, education, experience, age and social networks were found to have significant positive influence on entrepreneur's business performance (Shane, 2003). Business experience is one of the vital entrepreneurial characteristics (Antoncic, 2006), and it has been suggested that a minimum of two to three years business experience is sufficient to assess an entrepreneur (Kuzilwa, 2005; Antoncic, 2006).

Similarly, Freeman (1996) emphasized that successful entrepreneurs are especially skilled at using their time to develop relationships with people who are crucial to the success of their new venture. The characteristics of top management teams are important to the success of a new venture (Eisenhardt & Schoonhven, 1990). In an analysis of more than 50 studies, Timmons (1994) found a consensus around six general characteristics of entrepreneurs: (1) commitment and determination; (2) leadership; (3) opportunity obsession; (4) tolerance of risk, ambiguity and uncertainty; (5) creativity, self-reliance and ability to adapt; and (6) motivation to excel. Hashim et al. (1999) have proven empirically that entrepreneurial characteristics of the owner/manager are closely related to the success of the firm.

Additionally, entrepreneurial characteristics also called personal and psychological factors affect entrepreneurial performance (Lawal, 2005; Ogundele, 2007). Moussavi (1988) stated that experience on the part of the owner/manager contribute to firm survival and success. William (2009) noted that if all the requisite entrepreneurial and managerial skills which are the product of entrepreneurial characteristics are acquired either by the entrepreneurs themselves or by the managers of the enterprises, the owners/managers can translate these skills to entrepreneurial performance. Therefore, we conclude that extant literature have linked the age, gender, education, experience, family background, creativity of entrepreneurs, and the entrepreneurs' access to information, to entrepreneurial performance (Delmar & Davidsson, 2000; Greve & Salaff, 2003; Gatewood et al., 2004; Antoncic, 2006; Runyan et al., 2006; Hamidi et al. 2008; Watson, 2011).

2.3. Enterprise Characteristics

An enterprise is a controlled system consisting of a detector, a selector and an effector. The detector acquires information about its environment, which is then used as the basis of the selection of a behavioural response by the selector. Finally, the behaviour is executed by the effector. The measurement system of an enterprise gathers information about the changes in both the environment and the performance of the enterprise. This information is then used together with the values and the preferences of the enterprise and its management to produce decisions about the required actions. As a result, the outputs of the enterprise- the products, the services, the operational performance and the financial performance- are changed (Islam et al., 2011).

According to Hashim (2005), firm characteristics seem to play a vital role in determining the performances of the firm and can further determine how well the entrepreneurship have been developed in the country. Machirori & Fatoki (2013) identified firm characteristics as SME size, legal status and industry. Islam et al., (2011) asserted that the characteristics of SMEs include origin of the enterprise, length of time in operation and sources of capital. Kristiansen et al. (2003) found that the length of time in operation was significantly linked to business success. To Smallbone et al. (1995), enterprises that are owned and managed by a group of people perform better than enterprises owned and managed by a single entrepreneur. Wiklund & Shepherd (2005) summarized the characteristics of an entrepreneurial firm as the one that engage in product market, innovation, undertakes somewhat risky ventures, and is proactive.

SMEs face many problems in their growth performance (Kirby, 2003). However, researchers (Barber et al. 1989; Allal, 1999; Kirby, 2003) have alluded that these problems can be due to the lack of entrepreneurial values, financing and markets. Kyambalesa (1994) defined firms' financing as the total amount of money invested by the SME's owners/managers. It is one of the major factors that relate to the growth performance of SMEs. Greater dependence upon external finance is associated with better business growth (McMahon, 2001). Kristiansen et al. (2003) found that financial flexibility is significantly correlated to business success.

Furthermore, the size of an enterprise in terms of employment reflects how large the enterprise is. Larger enterprises have been significantly linked to better business performance (McMahon, 2001). Dean et al. (2000) also asserted that size affects a firm's marketing capabilities, attitudes, needs and practices which are important determinants of firm's performance and success. The connection between firm size which is contained in the firm's characteristics and firm performance is a controversial issue in the field of research. Dean et al. further argued that there is a little in common with the measurement of size whereas the traditional concept is usually indicated by assets, employees and sales. Besides, other studies that have investigated the use of size to identify gap between group differences produced mixed results. Despite the controversy with firm size, Dean et al. noted that firm characteristics are essential determinants of firm performance and success. According to

Wiklund & Shepherd (2005), firms that are able to align firm attributes with the characteristics of the environment outperform other firms.

More so, according to Storey (1994) the process of entrepreneurial growth and performance results from a combination of three basic components which are: (1) the characteristics of the entrepreneur (e.g., level of education, access to sources of strategic information and commitment); (2) the characteristics of the small firm (e.g., availability of information gadget within the organization, trade credit and collaboration with regulatory agencies); and (3) the development (or growth and performance) strategies of the firm (e.g., in the present study, the focus is BES). These three components are not mutually exclusive and they influence the growth and performance of small firms in a combined way (Ferreira et al., 2011). Also, recent studies have shown that the availability of information infrastructure, financial management and product range within micro/small enterprises influences performance (Correia & Wilson, 2001; Salman, 2009; Rankhumise & Rugimbana, 2010). Thus, there is a relationship between individual and organizational characteristics, and business performance/success (Street & Cameron, 2007).

2.4. Entrepreneurial Performance

Entrepreneurial performance, business performance or business success is a phenomenon of multiple aspects that is difficult to quantify (Aragon-Sanchez & Sanchez-Marin, 2005). This is owing to the large number of interrelated factors that influence performance. However, it is referred to as the rate of growth and level of profit and a measure of how well a firm has achieved its goals (organizational and financial goals) (Audet & Gerald, n.d.) and the measure of how a manager utilizes the resources of the organization efficiently and effectively to accomplish the goals of the organization as well as satisfying the stakeholders (Jones & George, 2008). Also, business performance is company achievement within a certain time period usually measured as the level of sales, level of profit, rate of return on capital, rate of turnover and gained market (Jauch & Glueck, 1998). Thus, performance is generally associated with expectation for success (Penrose, 1959).

More so, a variety of literature have shown that both quantitative indicators (e.g., return on investment, profit and sales volume) and qualitative indicators (e.g., knowledge, business experience, ability to manage and work in groups, labour productivity, ability to offer quality products/services, capacity to develop new processes and products, and corporate social responsibility) have limitations (Sarwoko et al., 2013). Therefore, researchers have measured performance using a mixture of quantitative and qualitative indicators or financial (e.g., capital, profit, amount sold, cashflow, income, cost and economic value added) and non financial indicators (e.g., owners' satisfaction, relationship with employees and customers, customer satisfaction, and product quality) (Wijewardena & Zoysa, 1993; Freeman, 1996; Watson, 2001; Robinson et al., 2006). This is because both financial and non-financial indicators offer a broad perspective in measuring performance and in clarifying the relationship between the financial and non-financial aspects of the firm performance under investigation (Venkatraman & Ramanujam, 1986; Panigyraskis et al., 2007). The use of financial and non-financial methods gives better result, and it is important to entrepreneurs/small firms (Murphy et al. 1996; Alam, 2009). However, difficulties arise when owners/managers are not willing or object to provide information on the business performance (Beal, 2000).

Furthermore, Li et al. (2005) used 3 indicators (efficiency, growth and profit) to measure performance. Carnison (n.d.) measured the performance of SMEs with reference to three indicators – profitability, productivity and market. Lee & Tsang (2001) measured performance using sales growth, growth of the company assets and profit growth. Performance can also be measured from the company's sales, profitability, return on capital, turnover level and market share (Wiklund & Shepherd, 2005). Moreover, Stubbart (1982) noted that there may be a time lag between strategic scanning activities and results of such activities on the performance of the firm. Thus, any causal link between BES and organizational performance must be a long and tenuous one. Effective scanning of the business environment will have positive effect only if: (1) proper actions are taken; (2) proper evaluations are made; and (3) a longtime is allowed for timely actions to yield good results. The most adopted measures are financial performance, customer satisfaction, internal business process, employee satisfaction, return on sales and growth in sales (Brusch, 1992; Ahituv et al., 1998; McGee & Sawyerr, 2003; Zhang et al., 2011). Daft et al. (1988) noted that scanning and performance thus may be self-reinforcing with broad scanning providing opportunities for improved performance, and improved performance providing slack resources for scanning.

2.5 Impact of Degree of Interest and Frequency of Scanning on Entrepreneurial Performance

Information regarding environmental factors or trends can be collected based on degree of interest and frequency of scanning (Ebrahimi, 2000). Despite the fact that BES enables the enterprises to gather strategic information in other to identify/assess emerging developments and process events that may affect the strategic/tactical objectives of the enterprises, and above all, maintain the enterprise's competitiveness, the BES behaviour of micropreneurs shows that microenterprises lack the infrastructure and resources necessary to start and sustain their interest in the collection of adequate information needed to cope with the dynamic and highly uncertain environment. Consequently, the degree of interest in strategic scanning activities of small firm owners decreases as they gained experience and as their business prospered (Kaish & Gilad, 1991).

However, micropreneurs still undertake periodic scanning so as to enhance the performance of their enterprises (Abiodun, 2009; Oghojafor et al., 2011; Adeoye & Elegunde, 2012). Dollinger (1984) found that the number of hours spent by the owner with persons from outside the firm who are likely to provide him with strategic information contributes significantly and positively to the variance in performance, while the number of weekly contacts with these persons showed that the relationship is positive but not significant. However, Sawyer et al. (2000) found that scanning frequency did not appear to affect organizational financial performance. Similarly, Beal (2000) also concluded that the frequency of scanning has no effect on the alignment between competitive strategies and environments, and hence organizational performance. Beal further stated that the unexpected result may probably be caused by the uncontrolled factors like industry and firm size. Despite the mixed results, one major issue that has been variously demonstrated is that better environmental scanning (higher degree of interest to scan and more frequent/broader collection of environmental information or more advanced scanning system) would result in better organizational performance (Brush 1992; Subramanian et al., 1993; Subramanian et al. 1994; Garg et al., 2003; Strandholm & Kumar, 2003). Hence, we propose that:

Proposition 1: *Degree of interest is positively related to entrepreneurial performance.*
Proposition 2: *Frequency of scanning is positively related to entrepreneurial performance.*

2.6 Moderating Effects of Individual Entrepreneur and Enterprise Characteristics

Entrepreneurs have varying characteristics and practices. Hence, it is important to understand the relationship between the characteristics of the entrepreneur/the enterprise and entrepreneurial performance (Sarwoko et al., 2013). Street & Cameron (2007) have reported that business performance or business success is determined by several factors, namely; individual characteristics and organizational characteristics. Nimalathasan (2008) further noted that there is a positive relationship between the characteristics of the owner/manager and business performance. Sarwoko et al. (2013) found that entrepreneurial characteristics have a significant influence on business performance. This implies that the more powerful entrepreneurial characteristics will lead to an increase in the competence of the SME owners, which will ultimately have an effect on business performance. The research conducted by Olsen & Johannessen (1994) also revealed that the experiences and competence levels of SME owners are important factors influencing SMEs' growth performance.

Additionally, according to Johnson (1993), owners/managers need to persevere when appropriate, and to think and act creatively– these are additional prerequisite skills that contribute to performance at the different stages of the growth of SMEs. Zoysa & Herath (2007) found that when owners/managers of SMEs are more entrepreneurially minded in the introductory and decline stages of growth, their performance tend to be higher. The result is the same for the growth and maturity stages when they are more administratively minded. The speed with which owners/managers produce high quality products that meets the needs and requirements of customers and suppliers is an important determinant of SMEs' growth performance (Johnson, 1993). Heunks (1998) pointed out that firm innovativeness plays an important role in the success of SMEs. Kam (1994) indicated that the level of technical sophistication of SMEs' influences growth performance. Oghojafor et al. (2011) found that environmental scanning was significantly related to the success of the firm's performance. We therefore conclude that past empirical studies have established that individual entrepreneur/enterprise characteristics are influential factors that determine the performance of business enterprises. Consequently, micropreneurs who wish to enhance their entrepreneurial performance through BES should consciously improve on their degree of interest to scan and frequency of scanning. Hence, the following are proposed:

Proposition 3: *The relationship between the degree of interest and entrepreneurial performance is moderated by individual entrepreneur characteristics.*
Proposition 4: *The relationship between frequency of scanning and entrepreneurial performance is moderated by individual entrepreneur characteristics.*
Proposition 5: *The relationship between the degree of interest and entrepreneurial performance is moderated by enterprise characteristics.*
Proposition 6: *The relationship between the frequency of scanning and entrepreneurial performance is moderated by enterprise characteristics.*

3. Conclusion

Unarguably, degree of interest and frequency of scanning are related to entrepreneurial performance.

This suggests that micropreneurs with higher degree of interest to scan will scan their business environment more frequently. Also, a high frequency of scanning could lead to increased entrepreneurial performance. The degree of interest and frequency of scanning are mechanisms through which micropreneurs can gather information on the events and trends which can influence their decisions and the operations of their microenterprises. Even though micropreneurs are constrained by capability and resources to carry out BES, they however need to develop/maintain a high degree of interest and by extension scan frequently the business environmental factors that pose the highest uncertainty to their microenterprises (i.e., the task environment – competitors, customers and supplier). This is to impose order in the environment and by extension improve their competitiveness and performance. Empirical studies using this conceptual framework are suggested so as to validate the propositions and their generalization.

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