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Abstract

This Study Investigated Entrepreneurial Risk Management Strategies and Financial Success among Petrol Retail Outlet Iwofe Zone in Obia-Akpor LGA, Rivers State, Nigeria. This study was guided by three (3) research questions, hypotheses and specific objectives. The study examined the concept of entrepreneurial risk management strategies as the predicting variables, financial success as the criterion variables and x-rayed the relationship between predicting variables and the criterion variables. The study was anchored on theory of risk bearing by Knight. The research design; adopted was correlational. The accessible population of the study was 100 petrol retail outlet SMSEs with a census sample size of 100 SMSEs. Structured questionnaire with 4 Likert scale was used as main source of data collection. PPMCC was used to test the hypotheses at 0.05 alpha level with the help of SPSS model. The finding revealed that there is a high positive significant relationship between risk mitigation management strategy and financial success of PRO of SMSEs. The study indicated that there is high positive significant

relationship between transfer and acceptance risk management strategies and profitability and ROI of petrol retail outlet SMSEs. The concluded that entrepreneurial risk management strategies are inevitable for the financial success of petrol retail outlet SMSEs. The study recommended that entrepreneurs should cultivate the organisational culture of practising the habit entrepreneurial risk management strategy as a yardstick for financial success of SMSEs.

Introduction

Entrepreneurs are often viewed as speculators who purchase goods and services with the anticipation of reselling them at higher prices to make a profit. Cantillon (1725–1755) was among the first economists to identify entrepreneurs as risk takers. Entrepreneurs encounter various risky situations, including loss of market share, goods damage or expiry, product decay in storage, inadequate supply in terms of quality and timeliness, theft by customers or employees, fires, floods, traffic accidents, financial losses, and threats to ethical reputation. These risks make venture management highly challenging. While risk cannot be eliminated entirely, it can be minimized through effective risk management. Risk management involves identifying potential risks and setting plans to mitigate them to ensure the sustainability of the business. It determines the nature of the risk and implements strategies to reduce it, thereby safeguarding the venture.

Generally, risk refers to a condition or situation where there is a possibility of loss. In some contexts, however, it may also present an opportunity for gain. Risk can lead to lower-than-expected profits or even a total loss of a company's financial and material resources. Entrepreneurs often face challenges from market changes, new competitors, and technological disruptions. These risks can be categorized as strategic, financial, organizational, legal, reputational, market-related, and security risks. Some authors further classify risks as pure, speculative, and fundamental. Pure risk involves situations that result in definite losses or break-even outcomes and are often unpredictable such as fire outbreaks, the death of the owner, major customer loss, or theft. Speculative risk, on the other hand, refers to situations involving a potential for either gain or loss.

Risk management is the process of identifying potential financial risks, evaluating and prioritizing them, and then implementing measures to mitigate, control, and monitor them. This process is critical to the survival and success of organizations, especially SMEs in high-risk sectors like petrol retail outlets. Effective risk management is not a one-time effort but a continuous process of identifying and addressing both new and ongoing risks. SMEs, particularly in petrol retail, risk management provides the capacity to foresee and respond to threats, reducing their impact and enhancing business stability and sustainability.

One essential aspect of effective risk management in petrol retail businesses is the ability to determine which risks can be transferred and which must be accepted. Risk transfer involves shifting the potential burden of loss to a third party, typically through insurance policies. For petrol retail outlets, this could mean insuring against fire outbreaks, theft, equipment damage, or third-party liability thereby safeguarding business assets and ensuring financial continuity after an adverse event. On the other hand, risk acceptance refers to situations where the cost of mitigating a risk outweighs its potential impact, prompting the entrepreneur to absorb the risk without external intervention. In such cases, the entrepreneur acknowledges the risk as a normal part of business operations and prepares internally either by maintaining emergency funds or by improving operational resilience. A balanced combination of risk transfer and acceptance enables petrol retail operators to manage their exposure strategically while preserving financial and operational stability. Despite this importance, many SMEs lack the expertise and skills necessary to manage risk effectively. In emerging economies, they also face volatile environments marked by political instability, economic fluctuations, and regulatory uncertainty, which make sustainable risk management more difficult. Political, legal, socio-cultural, and economic factors significantly affect the operations of petrol retail outlets. Therefore, it is essential for entrepreneurs to develop comprehensive risk management strategies that align with both the internal and external environments of their business. These strategies should include identifying potential risks, formulating action plans, implementing control measures, and establishing monitoring frameworks to mitigate, transfer, avoid, or accept risks in pursuit of organizational success.

The mission, goals, internal structure, organizational culture, competitiveness, and human capital of petrol retail outlets all influence how they manage risk. Organisational culture, in particular, plays a pivotal role in shaping how SMEs approach entrepreneurial risk management. Literature suggests that SMEs with adaptive and innovative cultures are more likely to manage external pressures effectively by fostering a strong risk management culture. However, many SMEs undervalue this aspect, viewing risk management planning as a waste of time and resources that could be used elsewhere. This perception often hinders the development of proactive strategies essential for protecting assets, ensuring resilience, and making informed decisions in the face of evolving risks and challenges.

Statement of the Problem

Entrepreneurial ventures across sectors are exposed to varying degrees of risk, including operational, financial, environmental, and safety-related threats. Effective risk management is therefore essential for business continuity, profitability, and long-term sustainability. However, many small and medium-scale enterprises fail to prioritize structured risk management strategies, exposing them to losses that could otherwise be mitigated. This challenge is especially critical in high-risk sectors like petroleum retailing, where poor safety measures can lead to catastrophic incidents. In the Iwofe Zone of Obio-Akpor LGA, Rivers State, numerous petrol retail outlet operators neglect basic risk management practices such as fire safety protocols, insurance coverage, emergency preparedness, and infrastructure safeguards.

These lapses have resulted in recurring fire outbreaks, product losses, and reputational damage, ultimately threatening financial viability. Despite the evident risks, there is limited empirical investigation into how petrol retail entrepreneurs in this region manage risk and how such strategies influence their financial success, hence, the problem of this study.

Aim and Objectives

The aim of this study is to examine entrepreneurial risk management strategies and financial success among petrol retail outlet in Iwofe Zone Obia - Akpor, Rivers State, Nigeria. The specific objectives are:

i. to examine the relationship between risk mitigation and financial performance of petrol retail outlet in Iwofe Zone, Obia-Akpor LGA, Rivers State.

ii. to find the relationship between risk transfers and financial performance of petrol retail outlet in Iwofe Zone, Obia-Akpor LGA, Rivers State.

iii. to ascertain the relationship between risk acceptance and financial performance of petrol retail outlet in Iwofe Zone, Obia-Akpor LGA, Rivers State.

Literature Review

Entrepreneurs are fundamentally regarded as risk-takers (Cantillon, 1755). To manage risk effectively, they must identify which risks require action, especially in high-risk sectors like petrol retail outlets. Risk identification is critical and must be conducted promptly, as unidentified risks often go untreated. Entrepreneurs must be aware of the risks they face, define timeframes for addressing them, allocate financial and human resources, and establish acceptable risk thresholds (Department of State and Regional Development, 2005). According to Ramadani and Hisrich (2015), risk identification should also involve understanding the components of each risk. Two approaches can be used: the retrospective approach, which looks at past risks and their outcomes, and the prospective approach, which anticipates future issues. Techniques such as brainstorming with employees, stakeholder interviews, environmental scanning, SWOT analysis, and surveys are useful for this process. Risks can be categorized as critical (threatening business continuity), significant (requiring intervention), or irrelevant (manageable with existing resources). Evaluating both the likelihood and consequence of risks helps entrepreneurs determine which can be avoided or mitigated and which are unavoidable yet potentially damaging.

Risk management is a vital part of business strategy and involves identifying risks, planning responses, analyzing impact, compiling proactive and reactive strategies, and monitoring outcomes. It serves not only to minimize losses but also to improve long-term organizational sustainability. Presently, most companies adopt traditional risk management (TRM), while enterprise risk management (ERM) is gaining traction as a holistic and forward-looking approach. Risk management contributes to enhancing a company's reputation among stakeholders, including employees, suppliers, banks, and regulatory institutions. It also enables petrol retail outlets to better recognize and leverage market opportunities. When a business has a clear understanding of both internal and external risks, it becomes more capable of adapting to changes, filling market gaps, and gaining a competitive edge (Crovini et al., 2020).

Risk mitigation strategy is a systematic approach used to identify potential risks and apply appropriate techniques to evaluate, reduce, and prevent their future occurrence particularly in high-risk environments like petrol retail outlets. This study focuses on four key mitigation strategies: quality control, collaboration, supplier selection, and diversification. Risk mitigation has gained increasing prominence, often considered more critical than financial constraints in both long- and short-term investment planning (Plourd, 2009). Several strategies such as collaboration, diversification, and supplier choice are frequently highlighted in the literature for their effectiveness.

Quality control involves setting and enforcing operational standards to minimize risk. For petrol stations, this includes rules like banning smoking and mobile phone use, turning off engines during fueling, enforcing proper queuing, and avoiding fuel spillage. Collaboration allows petrol retailers to form networks or alliances through agreements such as technical cooperation, marketing partnerships, or knowledge-sharing platforms. This enables them to attend to technological, financial, and commercial risks collectively. Quality control also ensures that systems conform to predefined standards through monitoring and corrective action. Diversification running multiple business streams is another common strategy. However, challenges often arise in the process of implementing diversification. Scholars like Carter (2003) and Alquier (2012) support this approach as an effective framework for managing diverse risks while aiming for optimal returns. Chakraborty and Das (2019) observed that many entrepreneurs perceive insurance as an unnecessary cost, largely due to inadequate funds, even though others recognize its importance.

Insurance helps restore a business to its pre-loss position when risks materialize and can also provide additional services beyond indemnity (Hollman & Zadeh, 1984). Ignacio (2016) described risk transfer as subscribing to insurance due to the unpredictability of supply chain activities. Herrera (2013) added that in addition to insurance, businesses may outsource or enter partnerships to share risks. In the petroleum sector, firms can form contractual agreements where risks such as operational disruptions are distributed among partners based on legally defined terms. Diabat, Govindan, and Panicker (2012) emphasized that transferring responsibilities through such arrangements is a viable method of managing operational risks, including business interruptions (Zhen et al., 2016). Suppliers also serve as a risk transfer mechanism for petrol retail outlets. This is achieved by entering into supply contracts where the supplier assumes responsibility for product transportation risks, including damage or loss during transit. For instance, if a product is damaged en route, the supplier bears the liability up to the point of offloading at the outlet. This strategy not only shifts physical risk but also influences supplier behavior to ensure safer and more reliable delivery. Nzaou and Raymond (2011) reported that SMEs in France and Canada prefer working with known suppliers who share similar business values, confirming earlier findings by Ellegaard (2008).

Risk acceptance, on the other hand, involves acknowledging a risk without attempting to eliminate or transfer it. Ghadge, Dani, Chester, and Kalawsky (2013) noted that acceptance requires firms to adopt a reactive posture with contingency plans, buffers, and protective measures. Ahmed (2017) described it as a last-resort strategy used when a risk cannot be mitigated, transferred, or eradicated. In such cases, the organization proceeds despite the uncertainty, especially if the risks of inaction outweigh those of moving forward. Park, Min, and Min (2016) emphasized that risk acceptance depends on the organization's tolerance and decision-making culture. Aglan and Lam (2015) cautioned that accepting a risk does not mean ignoring it; rather, it requires active monitoring and control to prevent escalation. In some situations, especially when risk is low or not imminent, acceptance may be the most practical strategy.

Organizational performance refers to the ability of a business to achieve its goals and remain competitive in the market (Griffin, 2003). Financial success, a key indicator of performance, reflects how effectively an entrepreneur utilizes limited resources to generate profit, return on investment, liquidity, and equity (Agu, 2005). According to Mulyadi and Setiawan (2001), financial performance reveals whether strategic goals and initiatives are translating into profitability and growth. Common financial indicators include gross profit margin, return on capital employed, and profitability ratios, all of which assess business efficiency and financial health. Cameron and Quinn (2011) emphasized that financial metrics also show how investments perform relative to industry standards and competitors, helping entrepreneurs identify strengths and weaknesses. From a risk management perspective, strong financial outcomes demonstrate that adopted risk strategies are effective in improving income, stability, and sustainability. As Drucker (1954) proposed, financial success is interconnected with broader performance dimensions like innovation, productivity, public responsibility, and managerial effectiveness.

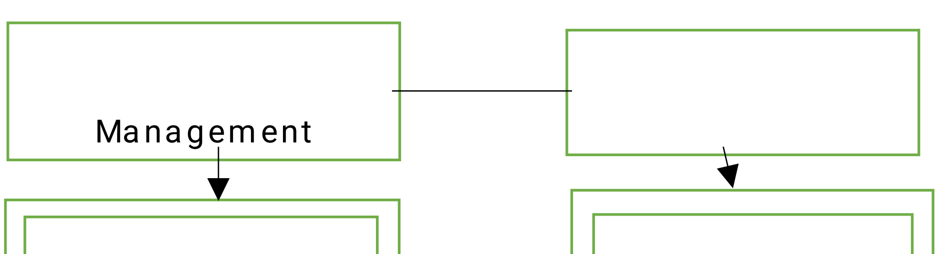
Petrol retail outlets, classified under SMEs, typically operate with 10 to 199 employees and are labor-intensive rather than capital-intensive (SMEDAN, 2013). These enterprises significantly contribute to national development by providing employment, boosting GDP, and offering essential goods and services (James et al., 2018; Pinkovetskaia, Nikitina & Gromova, 2018; Fatoki, 2018; Jacinto & Du Preez, 2018). Entrepreneurs in this sector are often innovative and resilient, leveraging both challenges and opportunities to create social and economic value (Miller & Le Breton-Miller, 2017; Rey-Martí, Ribeiro-Soriano & Sánchez-García, 2016). Guo (2018) linked entrepreneurship to innovation and risk-taking, traits that drive business evolution. The National Bureau of Statistics (2019) reported that SMEs in Nigeria contribute 48.5% to the national GDP, create about 50% of employment, and dominate nearly 90% of manufacturing enterprises. Despite their importance, SMEs face environmental challenges that hinder growth (Adebayo, Alheety & Yusoff, 2019). Nonetheless, their economic impact remains undeniable, with Nwugballa et al. (2016) noting their contribution to 55% of GDP and 75% of national employment.

Proactive risk management is essential for firms in the petroleum sector, as it directly contributes to competitive advantage and operational sustainability (Rajesh, Ravi & Rao, 2014). While some argue that holding liquid assets imposes opportunity costs due to their lower returns (Eichengreen & Gibson, 2001), others, like Al-Yatama et al. (2020), found no significant effect of liquidity risk on insurance firms' financial performance in Kuwait. In the context of petrol retail outlets in Rivers State, risk mitigation strategies like vertical and horizontal integration, collaboration, and flexibility (Behdani, 2013; Kwak, 2014) are essential to ensuring supply chain resilience. Spacey (2015) and Hohenstein et al. (2015) emphasized the importance of robustness anticipating adverse changes and agility the capacity to recover from disruptions quickly (Wieland & Wallenburg, 2013). Firms that reduce disruptions through buffering and collaborative planning (Urciuoli et al., 2014) tend to maintain stability in the face of volatility. Financial performance, often measured by return on assets, sales volume, or profitability (Li et al., 2015; Sanchez & Marin, 2015), reflects the effectiveness of such mitigation strategies in promoting growth and market success.

Risk transfer involves shifting responsibility for potential losses to third parties through contractual means such as insurance, outsourcing, or partnerships (Alfred, 2013; Herrera, 2013). For petrol retail outlets, this might include subcontracting transport or purchasing insurance against fire, supply disruptions, and property damage. Ignacio (2016) noted that effective transfer mechanisms reduce uncertainty, while Courchene and Robert (2016) emphasized that insurance providers often require firms to establish preventive measures, enhancing quality assurance. Outsourcing non-core functions enables firms to focus on core competencies while minimizing operational risk (Urciuoli et al., 2014). Studies by Johnson et al. (2013), Sodhi et al. (2012), and Liu et al. (2014) affirm that risk mitigation including transfer improves profitability and stability. In the banking and finance sector, Bourke (1989) and Imad et al. (2011) demonstrated a positive correlation between liquidity management and financial performance, further affirming that strategic risk transfer supports long-term financial success.

Risk acceptance, on the other hand, is a reactive strategy used when the cost of mitigation outweighs the potential impact of the risk (Herrera, 2013). In petrol retail operations, certain risks deemed minor or unlikely may be retained and addressed through contingency measures and safety awareness (Sodhi & Tang, 2012). Firms often implement control measures such as prohibiting smoking, switching off engines, and discouraging phone use at fueling stations to prevent accidents. Risk registers and contingency plans are widely used tools, particularly in the energy sector, to document potential disruptions and prepare appropriate responses (Tech & Cole, 2016; Das & Lashkari, 2015). This strategy requires not only anticipation of events but also strong internal communication and a culture of risk awareness across organizational levels (Leat & Revoredo, 2013). Ultimately, risk acceptance allows businesses to remain flexible and responsive without incurring excessive costs, while maintaining operational efficiency and financial resilience.

Conceptual Framework



This study is anchored on the Risk-Bearing Theory of Profit, as developed by early economists such as Cantillon, Knight, and Hawley (2008). The theory posits that profit is the reward for bearing uncertainty and taking risks in the entrepreneurial process. Entrepreneurs, particularly in volatile sectors like petrol retailing, constantly face risks such as unpredictable demand, changing consumer preferences, and price fluctuations. These uncertainties can lead to overproduction, inventory losses, or decreased revenue when demand falls short. The theory maintains that without the prospect of profit as a reward, entrepreneurs would have no incentive to undertake such risks. It further emphasizes that the magnitude of profit does not solely depend on the volume of risk borne, but on the entrepreneur’s efficiency in managing those risks. In the context of petrol retail outlets, risks may emerge from operational changes, technological obsolescence, increased competition, economic downturns, and government policy interventions—such as fuel subsidy adjustments, tax reforms, and price regulations. These risks, many of which cannot be insured against or transferred, underscore the entrepreneur's critical role in navigating uncertainty for financial gain.

Several studies across various sectors reinforce the practical relevance of the risk-bearing theory. Hosna, Manzura, and Juanjuan (2009) demonstrated that efficient risk management positively correlates with profitability in Swedish banks, affirming the theory's assertion that effective risk handling leads to economic rewards. Similarly, Idowu et al. (2017) found a statistically significant relationship between liquidity management and financial performance in Nigerian banks, aligning with the notion that profit is influenced by an entrepreneur's or manager's ability to mitigate financial risks. Al-Rdaydeh et al. (2017) and Endaweke (2015) also revealed that credit, liquidity, operational, and market risks significantly affect the profitability of banks in Jordan and Ethiopia, respectively, highlighting the universal nature of risk across business sectors. Although most of these studies focus on banking institutions, the core principle remains consistent: the ability to identify, assess, and manage risk is directly linked to financial outcomes. Thus, applying the risk-bearing theory to entrepreneurial contexts specifically petrol retail outlets in high-risk environments offers a suitable framework for examining how risk mitigation, transfer, and acceptance strategies contribute to financial success.

Methodology

The study adopted correlational research design. The population of this study constituted all the 100 registered Mses assessable petrol retail outlet operating in Iwofe Zone of Obia - Akpor LGA, Rivers State, Nigeria. Census sampling technique was employed to sample all members of the population. The researcher used a structured questionnaire to collect primary data for the study. The content and construct validity of the instrument was established through superficial reading and factor analysis, respectively. Also, the reliability coefficient of 0.68 was obtained for the instrument using Cronbach Alpha reliability coefficient. The researcher administered a total number of 100 copies of questionnaires via email to the respondents, and 80 copies were found usable upon return, indicating 80% return-rate. The researcher used Pearson’s product moment coefficient correlation (PPMCC) for analysis, the question and hypotheses forms of the objectives were considered for the analysis. The analysis was carried out using SPSS.

Data Presentation and Analysis

1. There is no significant relationship between entrepreneurial risk

management strategy and financial success of Petrol Retail Outlet SMSEs in Iwofe Zone, Obia- Akpor LGA, Rivers State.

Table 1: Relationship between Entrepreneurial risk Management Strategy and Financial Success

Variables		Financial Success	Entrepreneurial risk Management Strategy
Mitigation risk Management Strategy	Pearson Correlation		0.992**
	Sig. (2- tailed)		0.008
	N	80	80
Financial performance	Pearson Correlation	0.992**	1
	Sig. (2- tailed)	0.008	
	N	80	80

Correlation is significant at the 0.05 level (2- tailed).

The analysis on Table 1 proved that Pearson correlation represented by r is 0.992**. Therefore, the decision rule is that null hypothesis is rejected whereas alternate hypothesis accepted since the P- value =0.008** is less than significance level of 0.05. So, there is a high positive significant relationship between mitigation risk management strategy and financial success of petrol retail outlet SMSEs in Iwofe Zone in Obia- Akpor, Rivers State.

2. There is no significant relationship between Transfer risk Management Strategy and Financial Success of Petrol Retail Outlet SMSEs in Iwofe Zone, Obia- Akpor LGA, Rivers State.

Table 2: Relationship between Transfer risk Management Strategy and Financial Success

Variables		Transfer risk Management Strategy	Financial Success
Transfer risk	Pearson Correlation	1	0.927

Management Strategy	Sig. (2-tailed)		0.003
	N	80	80
Financial Success	Pearson Correlation	0.927	1
	Sig. (2-tailed)	0.003	
	N	80	80

Correlation is significant at the 0.05 level (2-tailed).

Table 2 above pointed that Pearson correlation represented by r is 0.927. Therefore, the decision rule is that null hypothesis is rejected whereas alternative hypothesis accepted as the P- value of 0.003 is Less than the alpha level of 0.05. So, there is a high positive significant relationship between Transfer risk Management strategy and financial success of petrol retail outlet SMSEs in Iwofe Zone of Obia-Akpor LGA, Rivers State.

3. There is no significant relationship between acceptance risk Management strategy and financial success of petrol retail outlet SMSEs in Iwofe Zone of Obia-Akpor LGA, Rivers State.

Table 3: Relationship between Acceptance Risk Management Strategy and Financial Success of Petrol Retail Outlet

Variables		Acceptance Risk Management Strategy	Financial Success
Acceptance Risk Management Strategy	Pearson Correlation	1	0.925
	Sig. (2-tailed)		0.005
	N	80	80
Financial Success	Pearson Correlation	0.925	1
	Sig. (2-tailed)	0.005	
	N	80	80

Correlation is significant at the 0.05 level (2-tailed).

Table 3 Pearson correlation pointed that there is a high positive relationship (r) = 0.925. Therefore, the decision rule is that null hypothesis is rejected so alternative hypothesis accepted since the P-value of 0.005 is less than the significance level of 0.05. So, there is a high positive significant relationship between Acceptance Risk Management Strategy and financial success of petrol retail outlet SMSEs in Iwofe Zone of Obia-Akpor LGA, Rivers State.

Discussion

Risk is a fundamental aspect of entrepreneurship, serving as both a challenge and an opportunity in the venture creation process. Entrepreneurs assess future uncertainties such as market shifts, operational hazards, and financial volatility to make informed decisions that balance expected gains with potential losses. This underscores the importance of entrepreneurial risk management strategies, which encompass systematic processes to identify, evaluate, and respond to risks. These strategies are often categorized into mitigation, transfer, and acceptance approaches. Mitigation involves proactive techniques like quality control, diversification, and collaboration to reduce the likelihood or severity of risks. Risk transfer enables entrepreneurs to shift liability through insurance, partnerships, or contractual arrangements with suppliers. Acceptance involves recognizing and managing unavoidable risks through tolerance and contingency planning. The literature further affirms that financial success measured by profit, liquidity, and return on investment is a key indicator of organizational performance. Empirical studies have shown that effective risk management strategies correlate strongly with improved outcomes in SMEs, particularly within dynamic and high-risk environments like the petrol retail sector.

The empirical findings of this study align with and reinforce existing literature. The analysis revealed a strong, statistically significant positive relationship between each dimension of entrepreneurial risk management and the financial success of SMEs in Rivers State. Specifically, risk mitigation showed an R-value of 0.992 and a p-value of 0.008, confirming a near-perfect correlation with financial performance. Similarly, risk transfer was strongly associated with financial success, with $R = 0.927$ and $p = 0.003$, indicating that mechanisms like insurance and partnerships effectively enhance profitability and stability. Lastly, risk acceptance demonstrated a high positive correlation ($R = 0.925$, $p = 0.005$), suggesting that even when risks are unavoidable, SMEs that respond with structured tolerance and contingency strategies maintain financial viability. These results are consistent with studies by Hosna et al. (2009), Idowu et al. (2017), and Endaweke (2015), which all affirm that effective risk management across its various forms significantly impacts financial outcomes. Therefore, entrepreneurial risk management strategies are not only relevant but essential for sustaining financial success and operational resilience among SMEs in challenging economic landscapes.

Conclusion

The study concluded that the concept of entrepreneurial risk management strategy is a process or systematic step in which an entrepreneur identifies the potential risk involved in the financial investment, analyse and take plan, control and game plan either mitigation, transfer or acceptance as a technique by being proactive or reactive to reduce the future adverse occurrence of the risk that may affect the enterprise from achieving the success. The study examined basically three risk management strategy such as mitigation, transfer and acceptance risk management strategy. The study also pointed success of SMSEs in three measures such as financial, market and customer satisfaction. The moderating variable of the study is organisational culture which dwell on the value, leadership belief an entrepreneur place on risk management strategy and innovative mindset of an entrepreneur as a determinant for the success of the enterprise. Equally, the study established the relationship between predicting variables, criterion variables and moderating variable. The study is anchored on theory of

Recommendation

Based on the findings, the following recommendations were offered:

1. The study suggested that entrepreneurs should adopt risk mitigation strategy since literature and finding revealed that there is significant relationship on the success of SMSEs.
2. The study suggested that entrepreneurs should adopt risk transfer

strategy since literature and this study proved that there is significant relationship on the success of SMSEs.

3. The study recommended that entrepreneurs should adopt risk acceptance strategy since literature and finding indicated that there is significant relationship on the success of SMSEs.
4. The study suggested that entrepreneurs should cultivate the organisational culture of risk management strategy since literature showed that there is significant relationship on the success of SMSEs.
5. The study suggested that entrepreneurs should adopt risk management strategy and intensify effort to implement it for the success of SMSEs. Entrepreneurship exposure, and empirical reviews proved that there is significant relationship between risk management strategy and profitability of SMSEs. Therefore, this study concluded that entrepreneurial risk management strategy is inevitable and a determinant for the success of SMSEs.

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