Cognitive Adaptability and Sales Growth of Selected Small and Medium Scale Enterprises in Lagos States, Nigeria

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Abstract: Small and Medium Enterprises (SMEs) contribute immensely to the development of any nation's GDP, of which Nigeria is not exempt. However, the survival rate has become very low, and the reason for the high mortality rate has been attributed to the volatility, uncertainty, complexity, and ambiguity of the dynamic operating environment. Responding with strategic decisions to changing environmental factors is a function of how cognitively adaptable the decision-makers are. Hence, the study investigated the effect of cognitive adaptability and business survival on selected small-scale enterprises in Lagos State, Nigeria. The study adopted a survey research design. and probability sampling technique. . The study population was 42,067 oowners/managers of the registered SMEs in Lagos State, Nigeria. The sample size was 770 respondents, and this was determined using the Cochran sample size formula. A structured, adapted and validated questionnaire was administered. Cronbach's alpha coefficient for the construct ranged from 0.725 to 0.923. Data were analysed using the descriptive and inferential (Multiple linear and hierarchical regression) statistics. Findings of the study revealed that the Cognitive adaptability and its dimensions for sales growth Adj. $R2 = 0.200$; $F(df = 5, 587) = 30.661$, $p <0.05$). The study concluded that the owner and manager should take cognizance of cognitive adaptability, which is tutorial in nature, to enable them to acquire needed skills and plan their tasks creatively. Primarily to develop the capacity to respond with effective and strategic decisions that will aid their survival in the disruptive and dynamic business environment.

Keywords: Cognitive adaptability, Business survival, Market share, Competitiveness, Sales Growth, Risk Management

1. INTRODUCTION

Small and medium Scale Enterprises (SMEs) have been recognized to be the economic drivers of every nation across the globe. According to the report by World Economic Forum, it stated that MSMEs represent around 90% of all firms globally, provide roughly 70% of all employment, and, by some estimates, contributes up to 70% of global GDP. (The Nigeria MSME Report | Fuel for Africa's Next Billion Businesses 2022). This is evidence that Small and medium-sized enterprises (SMEs) are the engines that propel global economies hence their place of importance cannot be joke with in global, continental and national economies irrespective of various challenges encountered on a daily basis. However, SMEs globally has been experiencing poor performance observed from low market share, low productivity, declining profitability and poor sustainability and general survival issues. In the America, a small business survey by the Census Bureau in United States of America (USA) indicated that almost 90% of small businesses experienced a strong (51%) or moderate (38%) negative impact from the COVID-19 pandemic; 45% of businesses experienced disruptions in supply chains; 25% of businesses has less than 1-2 months' cash reserves (Buffington et al., 2020). The magnitude of SME concerns was confirmed in a NBER paper that presented the results of a survey of over 5,800 small businesses in the United States which revealed that 43% of businesses were already

temporarily closed, on average, businesses reduced their employees by 40%, and three-quarters of respondents indicated they had two months or less in cash in reserve (Bartik et al., 2020). Further, Humphries et al. (2020) reported comparable impacts of the pandemic on small business. Similarly, according to a survey among SMEs in 132 countries by the International Trade Centre (ITC), two-thirds of micro and small firms reported that the crisis strongly affected their business operations, and one-fifth indicate the risk of shutting down permanently within three months (International Trade Centre [ITC], 2020). Based on several surveys in a variety of countries, McKinsey (2020) indicated that between 25% and 36% of small businesses close down permanently from the disruption in the first four months of the pandemic. Further, Fairlie (2020) considered the impact of COVID-19 in the United States and finds that the number of active business owners declined by 3.3 million (22%) between February and April 2020; African-American businesses experienced a 41% drop; Latino business owners fell by 32%; Asian business owners dropped by 26%; Immigrant business owners experienced substantial losses of 36%; and female-owned businesses were also disproportionately hit by 25%.

In Europe, Revoltella et al. (2020) found that in the European Union, cumulative net revenue losses for companies in a 3-month lockdown scenario amount to 13-24% of GDP, with over half of firms facing liquidity shortfalls even after substantial policy intervention, while SMEs faced larger revenue losses than larger firms as a percentage of total assets

(6-11% for SMEs, 2-4% for larger firms). In the United Kingdom, the growth of micro and small companies declined at the start of 2020 with around 49.5% of businesses across all industries revealing that their turnover fell significantly during the pandemic (Van Reenen, 2021). In 2020, North-West, London, had the highest business death rate at 13.5% (Merchant Savvy, 2020). Kepka (2020) reported that 42% of startup businesses fail because there is no market need for their services or products, while a further 14% of SMEs in the United Kingdom failed because they ignored their customers which translated to loss of customer satisfaction. In Italy and Greece, the share of microenterprises in the most affected sectors is 60%, whereas their share in total employment in the business economy is respectively 45% and 55% (Carletti et al., 2020).

A stress test on SMEs in the Netherlands showed that 30% of SMEs ran into a liquidity shortage in the first quarter of 2020, amounting to EUR 12 billion, and after six months, 48% of SMEs were facing liquidity problems of a total of EUR 30 billion (Central Plan Bureau [CPB], 2020). Even with the support policy measures in place, in 6 months' time from 2020 25% of SMEs will have a negative liquidity position, which would reduce to 17% in a 3-month scenario (CPB, 2020). In the Netherlands, the number of start-ups dropped by 34% in April 2020 compared to April 2019, in particular in business services and construction (OECD, 2020).

In Africa, Carter (2019) observed the high mortality rate of SMEs among African countries with five out of seven new businesses failing in their first year. One-third of new business start-ups not going beyond one year of operation in Uganda while in South Africa, the failure is between 50% and 95% depending on the industry (Bouazza et al., 2015). The pandemic caused immense economic suffering in sub-Saharan Africa with $115 billion in output losses and a 3.3 percent contraction of the GDP (Runde et al., 2021). In Uganda, micro and small businesses experienced a larger decline in businesses activity compared to medium and large firms as 71 percent of businesses in agriculture reported severe decline in demand compared to 47 percent in manufacturing and 49 percent in services (Lakuma et al., 2020). At the same time, a significantly high percentage of manufacturing businesses laid off employees, with 41 percent of them reducing employees by more than one half due to poor performance (Lakuma et al., 2020).

Research Objectives

evaluated the effect of cognitive adaptability dimensions on sales growth.

2. LITERATURE REVIEW

2.1 Cognitive Adaptability

Cognitive adaptability was described by Morallane (2016) as the capacity to successfully and appropriately alter decision-making processes (that is, to learn) in response to feedback (inputs) from the external context in which cognitive processing is embedded. Cognitive approach to entrepreneurship argues that this distinction in thinking style is essentially because entrepreneurs differ in acquiring, processing and structuring knowledge, a basis for making decisions and working out opportunities (Leutner et al, 2014, p.58).

Entrepreneurs acquire knowledge in the form of information derived through task and general environment, knowhow and skills and then process and structure that knowledge in a peculiar way which enables them to delineate an ingenious orientation toward opportunities and challenges at hand (Marhaini et al., 2015). From construal of information to perception of opportunity and generation of options for resource acquisitions, cognition remains central to the entrepreneurial process, and therefore, understanding entrepreneurial cognition becomes essential to explore the essence of entrepreneurship (Caliendo et al., 2014).

Based on metacognition and social cognition, cognitive adaptability consists of five factors: goal orientation, metacognitive knowledge, metacognitive experience, metacognitive choice and monitoring (Bajwa et al., 2017). These factors are not dispositional traits, but rather cognitive factors, which can be learnt and improved upon by means of training and experience (Bakioğlu et al. 2015; Deniz et al. 2014; Gül et al, 2015). Together with the personality traits, entrepreneurial cognition assists researchers in understanding the how, why and what of entrepreneurial thinking and behaviour (Krueger, 2017). For instance, activities such as "to be self-aware, to think aloud, to reflect, to be strategic, to plan, to have a plan in mind, to know what to know, and to self-monitor" can be considered examples of metacognitive thinking (Sırmacı et al, 2016).

Moreover, metacognition can be described as "the control that the individual has over their own cognitions as a function of a differing ability to consider alternative cognitive strategies in light of a changing environment; it follows that control over one's cognitions that results in an ability to consider alternative cognitive strategies makes for more dynamic information processing" (Haynie et al., 2010: 219). Specifically, metacognition can be classified into the following categories: goal orientation, metacognitive knowledge, metacognitive experience, metacognitive strategy (or metacognitive choice), and monitoring (Çakır, 2013; Kacar & Sarıçam, 2015; Tunca & Alkın Şahin, 2014; Yokuş & Yürüdür, 2015).

2.2 Sales Growth

Sales growth refers to the amount by which the average sales volume of a company's products or services has grown, typically from year to year (Banchuenvijit, 2012). Similarly, Sales growth is also defined as the amount a company derived from sales compared to a previous, corresponding period of time in which the latter sales exceed the former (Coad, 2007, p.370). According to Mappanyuki and Sari (2017), the phenomenon of sales growth is best explained as an increase in sales, which is scored on either annual, seasonal, monthly,

or from time to time (p.139). Further, Adebayo et al. (2017) described sales growth as a yardstick for gauging corporate performance and its productivity (p.121). According to Thomas et al, (2015) sales growth is the parameter which is used to measure the performance of the sales team to increase the revenue over a pre-determined period of time.

Hansen and Mowen (2012) noted that the phenomenon of sales growth connotes an upsurge in sales which may be measured annually. The researchers noted that firms with a history of increased sales growth rates, stand the chance of reaping high liquidity, saving and reinvestment growth in assets and securities. David and Xionggliang (2015) added that growth in sales facilitates the development of cash projection (p.696). The researcher defines sales growth as a strategic indicator that is used in making decision by the executives and the board of director, which influences the formulation and execution of business strategy. Therefore, Cowling (2004) define sales growth as a strategic indicator that is used in decision making by executives and the board of directors, and influences the formulation and execution of business strategy. According to Pinem and Dwi (2016), sales growth shows the percentage escalation in sales of the contemporary year compared to the preceding year (p.105). Sales growth is important as it aids learning curve, prospects for economies of scale and profit (Badorf et al., 2019, p.122).

Degryse et al. (2016) identified that sales growth as beneficial to the firm has it ensures the sustainability of the firm and measures firm performance because sales growth effect firm's profitability, employment growth and regional economic growth. The larger the sales growth, the better and the faster the sales growth, the greater the funds needed to finance the organization (Pinem & Dwi, 2014, p.105). Furthermore, Delmar et al. (2012) were of the view that sales growth is a metric that measures the ability of company sales team to increase revenue over a fixed period of time (p. 276). This definition is similar to the one given by (Firas, 2015, p.58). Who also defined sales growth as an indicator that shows the increase in sales over a specific period of time (Firas, 2015, p.58). However, all the above definitions failed to look at the consequences of sales growth to an organization in their various definitions.

Factors that influence sales growth range from promotion to internal motivation and retaining of talented employees to the implicit opportunities for investments in new technologies and equipment in the production process. In addition, it benefits learning curve and opportunities for economies of scale provided by sales growth. Most literature in market share explores whether underlying market features, such as economies of scale and market share, deliberate competitive advantage (Buzzell et al., 1975, p.97). Kaplan and Norton (1996) claim that to reach their financial objectives effectively, firms must use a wide diversity of goals, including sales growth. (p.75)

In this study, sales growth is defined as the percentage increase in revenue from product and service sales over a fixed period of time as determined by an organization..

2.3 Cognitive adaptability dimensions and Sales growth

Maryam et al. (2019) found a significant relationship between goal orientation and sales performance. Moderation regression revealed that symbolic leadership significantly affects the relationship of goal orientation and sales performance. Likewise, Rhodes et al. (2016) showed that different metacognitive abilities of managers (knowledge and experience) have positive and significant effect on firm performance. Additionally, Hafeez et al. (2019) in their study on the impact of goal orientation on sales performance established that goal orientation has a significant relationship with sales performance. These results are also simultaneously related to the past study of Park and Holloway (2003) who demonstrated that goal orientation has a positive relationship with sales performance. Therefore, enhancing the goal orientation is one of the leading problems to succeed in achieving sales performance.

The study of Labroo and Mukhopadhyay (2008) reported a positive and significant effect of metacognitive knowledge and sales growth. Findings inferred that consumer with metacognitive knowledge and experience are better able to control emotions in making purchase decisions which increases organisational sales. Further, Wan et al., (2009) advanced the research of Labroo and Mukhopadhyay (2008) by showing that consumers make brand judgments using their metacognitive regulatory power (monitoring and control) and this improves organisation's market performance. Also, Tsai and McGill (2011) and Dubois et al. (2011) established a positive and significant effect of metacognition on sales. Their findings showed that consumers with metacognitive abilities had more confidence in making purchase decisions and communications about products. Additionally, Charles and Charles (2018) found that a cognitive knowledge is an important factor of sales performance and sustainability in Rwanda without which a business will fail.

The work of Oso et al. (2018) detected that cognitive adaptability has a significant effect on sales performance. Findings revealed that cognitively flexible entrepreneurs tend to be innovative and change minded, which can, to some extent, facilitate innovative activities in new ventures, which in turn leads to improved performance. Likewise, Kiss et al. (2020) found that entrepreneurs with higher cognitive flexibility scores tend to be more likely to engage in creative activities, and that entrepreneurial innovative behavior is an important component of a firm's sales activities. In the same vein, authors (Barbey et al., 2013; Liñán & Fayolle, 2015; Miron-Spektor & Beenen, 2015) have reported that cognitive adaptability has a significant effect on sales growth of new ventures. Cognitive adaptability drives the performance of new ventures by improving their sales performance (Liñán & Fayolle, 2015). Further, cognitive adaptability behavior can take two forms, facilitative behavior, where new solutions are

proposed to seize and exploit fleeting opportunities in the marketplace (Barbey et al., 2013), and prohibitive behavior, where problems and deficiencies in the firm are identified and adjustments are made (Miron-Spektor & Beenen, 2015).

2.4 Theory of Metacognition

The theory of metacognition was introduced by John Flavell in the early 1970s based on the term 'metamemory' previously conceived by the same scholar (Flavell 1971). Metacognitive theory is a theory of knowledge that is interested in how humans can actively monitor and regulate their own thought processes. Flavell (1979) viewed metacognition as learners' knowledge of their own cognition, defining it as 'knowledge and cognition about cognitive phenomena'

Theory of metacognition is based on two assumptions: knowledge about cognition and regulation of cognition (Ozturk, 2017). Knowledge of cognition refers to what individuals know about their own cognition or about cognition in general (Ozturk, 2017). It usually includes three different kinds of metacognitive awareness: declarative, procedural, and conditional knowledge (Abbasian & Shad, 2015). Declarative knowledge refers to knowing "about" things. Procedural knowledge refers to knowing "how" to do things. Conditional knowledge refers to knowing the "why" and "when" aspects of cognition. The second assumption of the metacognitive theory is regulation of cognition which refers to metacognitive activities that help control one's thinking or learning (Anderson, 2012). Although a number of regulatory skills have been described in the literature, three essential skills are included in all accounts: planning, monitoring, and evaluation (Riwayatiningsih et al., 2021). Planning involves the selection of appropriate strategies and the allocation of resources that affect performance. Examples include making predictions before reading, strategy sequencing, and allocating time or attention selectively before beginning a task (Birjandi & Rahimi, 2012). Monitoring refers to one's on-line awareness of comprehension and task performance. The ability to engage in periodic self-testing while learning is a good example. Evaluation refers to appraising the products and regulatory processes of one's learning. Typical examples include re-evaluating one's goals and conclusions (Bagheri, 2015).

3. METHODOLOGY

A survey research design was used to gather a sample of 42, registered small and medium scale enterprises in Lagos (SMEDAN, 2021). The Cochran formular was used to select a population sample size of 417, and the data were collected using standardized questionnaires. The analysis of the results revealed that the Cronbach alpha value was greater than 0.7. Both descriptive and inferential tools were employed to analyze the data. The statistical package for science solutions (SPSS) version 25 was used to conduct multiple regression analysis and determine the impact of the variables.

The pilot study was conducted among owners and managers of small and medium-scale enterprises in Lagos State, Nigeria. Three different industrial hubs for SMEs in Lagos were used. Respondents cut across different sectors of manufacturing, printing, and branding, as well as aviation and logistics service providers. The pilot study was considered essential in order to determine the willingness of the respondents, to have a foreknowledge of their reactions, and to ascertain the validity and reliability of the questionnaire when used for the collection of data in the scope under study. The researcher distributed 78 copies of the questionnaire and was able to retrieve 56 copies. Some of the owners were not in their seats at the time the researcher went back to retrieve the distributed copies of the questionnaire. Also, some owners could not find the copy given to them. Overall, a response rate of 71.8% was achieved.

The self-administered questionnaire was divided into (4) sections. Section A captured demographic information of respondents such as sex, age, marital status, educational qualification and sector. Section B consist of items to measure cognitive adaptability sub-variables which are goal orientation, metacognitive knowledge, metacognitive control, metacognitive experience, and monitoring. Section C consist of items to measure business survival sub-variables which are market share, productivity, competitiveness, and sales growth. Section D consist of items to measure the moderating variable which is risk management. Sections B, C and D encompass statements which the respondents would select on the questionnaire based on their respective opinion on a 6-point Likert type scale. Section B ranging from "Strongly agree" to "Strongly disagree." While section Cand D ranging from "Very high" to "Very low"

S/N	Variables	Cronbach	Composite	Remarks
1	Market share	0.826	0.885	**Accepted**
2	Sales Growth	0.821	0.879	**Accepted**

The internal consistency method was utilized to ascertain the reliability of the instrument. Composite reliability and Cronbach's Alpha coefficient were computed to test the internal consistency of the research instrument. This helped to determine the consistency and stable measurement. A set of indicators is reliable if it has a Cronbach's alpha value of more than 0.7 and a composite reliability value of more than 0.7. According to Davidson (1996), a score over 0.70 is deemed suitable for the study. The Cronbach's Alpha coefficient of the instrument is above 0.70. This showed that the research instrument is reliable.

4. DATA ANALYSIS AND RESULTS

The researcher distributed 770 copies of the questionnaire to the owner / managers of selected Small and Medium Scale Enterprises in Lagos State, Nigeria. Out of the distributed copies of the questionnaire, the researcher was able to retrieve 593 copies which were duly filled and were used for the analysis. This represents a response rate of 77.01% of the sample employed in the study. This response rate was considered an excellent response rate according to Fincham (2008) who indicated that response rate of 60% and above is considered adequate for survey research. Avoid combining SI and CGS units, such as current in amperes and magnetic field in oersteds. This often leads to confusion because equations do not balance dimensionally. If you must use mixed units, clearly state the units for each quantity that you use in an equation.

Hypothesis: Cognitive adaptability dimensions have no significant effect on sales growth of SMEs in Lagos State, Nigeria

Multiple regression analysis was used to test the hypothesis. The independent sub-variables are Cognitive adaptability dimensions (goal orientation, metacognitive knowledge, metacognitive experience, metacognitive control, and monitoring), while the dependent variable was Sales Growth. In the analysis, data for Cognitive adaptability dimensions were created by adding together responses of all the items under the various dimensions to generate independent scores for each dimension. Data for Growth was generated by adding together responses of all items under the variable to create index of Growth. The results of the analysis and parameter estimates obtained are presented in Table 2.

Table 2 Summary of multiple regression analysis for effect of Cognitive adaptability Dimensions on Sales Growth of SMEs in Lagos State, Nigeria

N	7	B	T	Sig.	ANOVA (Sig.)	R	Adjusted R^2	F (5,587)
307	(Constant)	8.4	6.6	0.00	0.000[b]	0.455[a]	0.200	30.661
	Goal Orientation	-0.12	-2.35	0.01				
	Metacognitive Knowledge	0.10	2.22	0.02				
	Metacognitive Experience	-0.05	-1.18	0.23				
	Metacognitive Control	0.11	3.39	0.00				
	Monitoring	0.51	9.54	0.00				
a. Dependent Variable: Sales Growth								

b. Predictors: (Constant), Goal Orientation, Metacognitive Knowledge, Metacognitive Experience, Metacognitive Control, Monitoring

Table 2 shows the multiple regression analysis results for the cognitive adaptability dimensions on sales growth of selected Small and Medium Scale Enterprises in Lagos State, Nigeria as a case study. The results showed that metacognitive knowledge (β = 0.105, t = 2.222, p<0.05), metacognitive control (β = 0.114, t = 3.397, p<0.05), and monitoring (β = 0.516, t = 9.546, p<0.05) have positive and significant effect on sales growth. Also, goal orientation (β = -0.121, t = -2.356, p<0.05) had a negative and significant effect on sales growth while metacognitive experience (β = -0.058, t = -1.180, p>0.05) had a negative but insignificant effect on sales growth of selected Small and Medium Scale Enterprises in Lagos State, Nigeria. The results of the analysis revealed that three dimensions of cognitive adaptability (metacognitive knowledge, metacognitive control, and monitoring) have positive and significant effect on sales growth of selected Small and Medium Scale Enterprises in Lagos State, Nigeria, while one dimension of cognitive adaptability (goal orientation) although had a significant effect on sales growth, the effect was a negative one.

The R value of 0.455 supports this result and it indicates that cognitive adaptability dimensions have a strong moderate and positive relationship with the sales growth of selected Small and Medium Scale Enterprises in Lagos State, Nigeria. This suggests that cognitive adaptability can be an effective strategy for increasing sales growth. The coefficient of multiple determination Adj. R^2 = 0.200 indicates that about 20.0% variation that occurs in the sales growth of selected Small and Medium Scale Enterprises in Lagos State can be accounted for by the components of cognitive adaptability dimensions while the remaining 80.0% changes that occurs is accounted for by other variables not captured in the model. This indicates that, while cognitive adaptability is an important factor in determining sales growth, other variables also influence sales growth. The predictive and prescriptive multiple regression models are thus expressed:

SG = 8.479 – 0.121GO + 0.105MK – 0.058ME + 0.114MC + 0.516MN + Ui --------Eqn iv (Predictive Model)
SG = 8.479 – 0.121 + 0.105MK + 0.114MC + 0.516MN + Ui ------Eqn iv (Prescriptive Model)
Where:
GO = Goal Orientation
MK = Metacognitive Knowledge
 ME = Metacognitive Experience
 MC = Metacognitive Control
 MN = Monitoring
SG = Sales Growth

The regression model indicates that if cognitive adaptability factors were held constant at zero, the sales growth of the selected Small and Medium Scale Enterprises in Lagos State, Nigeria would be 8.479. In the predictive model it is seen that one of the variables of cognitive adaptability is insignificant,

therefore the management of small and medium scale enterprises can downplay the variable that is why it is not included in the prescriptive model.

From the analysis, the prescriptive models show that dimensions of cognitive adaptability (goal orientation, metacognitive knowledge, metacognitive control, and monitoring) except metacognitive experience have a significant effect on sales growth. This means that companies in the SMEs in Lagos State should pay close attention to the three components of cognitive adaptability in order to enhance sales growth. The prescriptive model further revealed that when all other variables of cognitive adaptability dimensions (metacognitive knowledge, metacognitive control, and monitoring) are improved by one unit, sales growth would also increase by 0.105, 0.114 and 0.516 respectively. Further, the prescriptive model revealed that when goal orientation is improved by one unit, sales growth would however decrease by 0.121 units. The prescriptive models showed that an improvement in the cognitive adaptability variables, such as metacognitive knowledge, metacognitive control, and monitoring would lead to an increase in the sales growth of the selected Small and Medium Scale Enterprises in Lagos State, Nigeria. This suggests that selected Small and Medium Scale Enterprises in Lagos State should pay close attention to only components of cognitive adaptability that improve their sales growth. In addition, the F-statistics (df = 5,587) = 30.661 at p = 0.000 (p<0.05) indicates that the overall model is significant in predicting the effect of cognitive adaptability dimensions on sales growth which implies that cognitive adaptability plays a significant role in driving sales growth and that companies should consider implementing effective cognitive adaptability strategies to increase their sales growth. Therefore, the null hypothesis (H01) which states that cognitive adaptability dimensions have no significant effect on sales growth of Selected Small and Medium Scale Enterprises in Lagos State, Nigeria was rejected.

Discussion of Findings
The fourth hypothesis sought to investigate the effect of Cognitive Adaptability Dimensions on sales growth of SMEs in Lagos State, Nigeria. The results showed that metacognitive knowledge (β = 0.105, t = 2.222, p<0.05), metacognitive control (β = 0.114, t = 3.397, p<0.05), and monitoring (β = 0.516, t = 9.546, p<0.05) have positive and significant effect on sales growth. Also, goal orientation (β = -0.121, t = -2.356, p<0.05) had a negative and significant effect on sales growth while metacognitive experience (β = -0.058, t = -1.180, p>0.05) had a negative but insignificant effect on sales growth of selected Small and Medium Scale Enterprises in Lagos State, Nigeria.

The entrepreneur recognizes (metacognitive knowledge) the significance of the task with regard to the future of the venture, and therefore, invests considerable time and effort toward preparing it (Urban, 2012, p.203). More specifically, according to this subjectivist view, the entrepreneur's personal knowledge about the institutional environment surrounding the start-up decision influences the formation of entrepreneurial intention (Urban 2012, p. 203). Additionally, metacognitive knowledge enhances the cognitive capacity to learn from changes in the environment and effectively adapt inner essence of uncertainty. Components of cognitive adaptability include mental flexibility, mental set shifting, cognitive shifting, task switching, and attention shifting (Karataş, 2017, p.451). To sense and adapt to uncertainty by leveraging prior entrepreneurial knowledge is a critical ability. Cognitive adaptability provides insights into the interplay between knowledge, learning, and cognition that are generalizable to activities and actions central to the entrepreneurial process (Cohen, 2014).

This study also supports the metacognition theory. Supporting this theory, Victor (2004) opined that metacognition enables learners relate their old information with the new information, and get aware of their own learning and internalize what they learn. In other words, according to Belet and Guven (2011), individuals who have metacognitive skills, are aware of how to accomplish the learning process, memory and which learning tasks realistically. Metacognition includes planning out work, tracking progress, and assessing own knowledge. By applying meta-thinking strategies in entrepreneurship, managers can be more aware of their own control over their success at tasks. They can also adjust their thinking strategies as they go about their tasks to ensure optimum outcomes.

Empirically, Rhodes et al., (2016) showed that different metacognitive abilities of managers (knowledge and experience) have positive and significant effect on firm performance. Additionally, Hafeez et al., (2019) in their study on the impact of goal orientation on sales performance established that goal orientation has a significant relationship with sales performance. These results are also simultaneously related to the past study of Park and Holloway (2003) who demonstrated that goal orientation has a positive relationship with sales performance. The study of Labroo and Mukhopadhyay (2008) reported a positive and significant effect of metacognitive knowledge and sales growth. Findings inferred that consumer with metacognitive knowledge and experience are better able to control emotions in making purchase decisions which increases organisational sales. Further, Wan et al., (2009) advanced the research of Labroo and Mukhopadhyay (2008) by showing that consumers make brand judgments using their metacognitive regulatory power (monitoring and control) and this improves organization's market performance. Also, Tsai and McGill (2011) and Dubois et al., (2011) established a positive and significant effect of metacognition on sales. Their findings showed that consumers with metacognitive abilities had more confidence in making purchase decisions and communications about products. Additionally, Charles and Charles (2018) found that a cognitive knowledge is an important factor of sales performance and sustainability in Rwanda without which a business fail.

The work of Oo, Sahaym, Juasrikul, and Lee (2018) detected that cognitive adaptability has a significant effect on sales performance. Findings revealed that cognitively flexible

entrepreneurs tend to be innovative and change minded, which can, to some extent, facilitate innovative activities in new ventures, which in turn leads to improved performance. Likewise, Kiss, Libaers, Barr, Wang, and Zachary (2020) found that entrepreneurs with higher cognitive flexibility scores tend to be more likely to engage in creative activities, and that entrepreneurial innovative behavior is an important component of a firm's sales activities.

In consonance with the finding of this study, authors (Barbey, Colom, & Grafman, 2013; Liñán & Fayolle, 2015; Miron-Spektor & Beenen, 2015) have reported that cognitive adaptability has a significant effect on sales growth of new ventures. Cognitive adaptability drives the performance of new ventures by improving their sales performance (Liñán & Fayolle, 2015). Further, cognitive adaptability behavior can take two forms, facilitative behavior, where new solutions are proposed to seize and exploit fleeting opportunities in the marketplace (Barbey et al., 2013), and prohibitive behavior, where problems and deficiencies in the firm are identified and adjustments are made (Miron-Spektor & Beenen, 2015). In contrast to the finding of this study, Maryam et al., (2019) found a significant relationship between goal orientation and sales performance.

5. CONCLUSION AND RECOMMENDATIONS

This study has established that cognitive adaptability and its dimensions enhanced the business survival of SMEs in Lagos State. It provides a significant finding on the effect of cognitive adaptability and business survival. The tested hypothesis also indicated that all dimensions of cognitive adaptability positively influence the quality of decision making of the owners and managers of SMEs in this study, which invariably translates to their survival. The empirical findings of this study also support previous findings that individual cognitive adaptability helps in decision making and problem solving. This is a clear indication that going through the wind of business environmental changes requires some skill (knowledge), which can be gotten through learning and continuous interaction with the environment. This allude to the assertion that metacognition has a meaning of learning strategy in the process of completing active and innovative behaviors such as self-directed learning (Semerci & Elald, 2014, p. 317). This study adopted a cross-sectional survey; further study can explore longitudinal studies to better investigate the hypothesis. Further study on Cognitive adaptability and Business survival in SMEs should be conducted in other countries that have similar characteristics to Nigeria for comparability of empirical finding.

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