

Effect of Business Social Responsibility (BSR) on Performance of SMEs: Data Screening and Preliminary Analysis

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Abstract

The increase on Business Social Responsibility (BSR) understanding in present-day businesses has led to postulations that the related behaviors would facilitate viable benefit to be attained as a firm different itself from its rivalry through such actions. Therefore, the objectives of this study was to carried out Data gathering in respect to Data screening and preliminary analysis in related to effect of business social responsibility on performance of SMEs in Nigeria. 514 respondents were derived from Small Scale Industries in Kano State Nigeria. The study employed purposive sampling techniques, equally the exercises was carried in order to suit the supposition of multivariate analysis. In view of that, an appraisal of Data missing, identify univariate and multivariate outlier and lastly, skewness and kurtosis were checked. In addition, factor analysis through Exploratory Factor Analysis (EFA) was also carried out. Similarly, all the exercises were prepared in Statistical Package for Social Science (SPSS) software version 18, and the preliminary analysis reveals convinced that the data fulfill condition of multivariate analysis. The findings will give an insight to further analysis its hope to provide understanding of how and why this may be diverse in a perspectives rising environment.

Keywords: business social responsibility, performance, data selection, SMEs and Nigeria

1. Introduction

The significance of data preliminary in analysis cannot be over quantified as it is very indispensable in social science research (Hair, Hult, Ringle, & Sarstedt, 2013). Missing data happen when a respondent either deliberately or accidentally fails to respond one or more questions (Hair et al., 2013). For that reason, the value and the evocative conclusion of the analysis more or less depend on the initial data screening (Maiyaki & Mouktar, 2011). Unfortunately, this basic preliminary exercise is more often than not being unobserved by researchers perhaps due to the weight attached to it (Hair et al., 2010, 2013; Maiyaki & Mouktar, 2011).

However, leaving this segment of data preliminary would absolutely have an effect on the result value and/or the suitability of the type of analysis required. Although, according to Tabachnick and Fidell (2007) the best way of insuring precision is all the way through proof reading of the original data vis-à-vis the computerized data file. Conversely, with big data set, proof reading is complicated or even unattainable (Maiyaki & Mouktar, 2011). For this reason, there is need to investigate data through descriptive statistics using computer software. In this way, all the unseen errors that are not easily experiential would be exposed (Hair et al., 2010, 2013).

In addition, the authors observed that by preparing data assessment, researcher have at least two essential advantages (Hair et al., 2010). (1), whole indulgent of the inter-associations among the constructs and as a result facilitates clear explanation of the outputs. (2), capability to gratify the postulation of multivariate data analysis which is more difficult than in univariate analyses. On a final note, this study examined issues related to data screening and preliminary analysis in order to have a free error Data as recommended by (Hair et al., 2010, 2013).

2. Literature Review

Allouche and Laracle (2006) state that for a long period, the concept of social responsibility has been the matter of extreme ideologically prejudiced debates (Bowen, 1953; Carroll, 1979; Freeman, 1984; Friedman, 1962; Gorondutse & Hilman, 2013a; Sethi, 1975; Wood, 1991; Taneja, Kumar, & Gupta, 2011). Perrini, (2006) are of the view that business ethics and social responsibility are often interchangeable. In the same way, those two

terms are identical and exchangeable (Lee, 2008; Beneke et al., 2012). Even though, a rising knowledge of CSR in literature, no definition of CSR is generally established (Matten & Moon, 2008; Torugsa, Donohue, & Hecker, 2012). This may be due to BSR is an sunshine term moving with some, and being identical with other conceptions of business-community relationships (Gorodutse & Hilman, 2013a, 2013d; Matten & Moon, 2008; Torugsa et al., 2012). The dimension of social responsibility covers different levels and issues of activities that have an effect on corporate control, employee relationships, supply series and customer relationships, environmental managing, ethics, trust and cooperation, community involvement, commitment to being an ethical, ethical culture as well as key company operations and organizational performances (Dewan, 2009; Donaldson & Preston, 1995; Gorodutse & Hilman, 2013d; Perrini et al., 2010; Wood, 2002). Specifically, the issues are commitment to BSR, Trust of BSR, Perceived ethics, organizational culture and firm's performance.

Furthermore, in recent times, organizations are thinking that in order to continue industrious, viable and substantial in a hastily varying environment of the world, they have to develop into and committed to socially responsible (Okoro, 2012). Commitment to being ethical organization must be at the mind of not only the public speaking, but also the certainty personified in business actions (Wood, 2002). In the previous two decades, globalization have indistinct countrywide boundaries and know-how has accelerated point in time and covered distance, known a quick transformation in the corporate environment, business want to enlarge their capability to administer their earnings and risks and to defend the status of their brand in the community (Dennis, Hackert, Tokle, & Vokurka, 2012; Gorodutse & Hilman, 2013a). While BSR is significant to firms in all environments, it is above all important for rising nations like Nigeria, where partial funds for meeting the ever increasing aspirations and variety of a pluralistic humanity, make practice of sustainable growth more demanding (Abiodun, 2012; Amaeshi, Adi, Ogbechi, & Amao, 2006; David, 2012).

Trust refers to the key sign of physically powerful administration in the direction of stakeholder trade interaction (Fang, Palmatier, Scheer, & Li, 2008; Hilman & Gorodutse, 2013b; Hansen, Dunford, Boss, Angermeier, & Alan, 2011). There is a belief in literature and in company practices that BSR is based not merely on principles, but also progressive egotism (Perrini et al., 2010; Smith, 2003), the stakeholder beliefs a firm's social accountable actions will make its business more attractive than its business rivals, primarily it enhanced economic performances, and able to plan better market reflection and be more focus for and keep retaining consumers (Hilman & Gorodutse, 2013b; Perrini et al., 2010). Even though, trust has an immediate consequence on an organization social performance (Pivato, Misani, & Tencati, 2008; Tian, Wang, & Yang, 2011), and in the absence of trust this may prevent future investment or even lead to the withdrawal of an existing investment (Pivato et al., 2008). Previous researches use trust of BSR in the respect of consumers (Hansen et al., 2011; Hilman & Gorodutse, 2013b; Tian et al., 2011).

Business ethics are moral behaviors that business adheres to guide the way it behaves (Hilman & Gorodutse, 2013b; Valentine & Fleischman, 2008). Organizational ethics is a desire to adopt moral principles and company practices. However, some organizations encourage an ethical customs by given optimistic ideals that influences organizational members' moral beliefs and performances (Trevino & Nelson, 2004; Valentine & Fleischman, 2008). Ethics related programs are likely to enhance organizational performances, and corporation participation in BSR behavior. It ought to persuade their employees to work more ethically (Valentine & Fleischman, 2008). For instance, dissonance theory suggests that workers understanding decreased disagreement and increased happiness when a company is substantiated to be ethical (Cotchet & Chi, 2012; Hilman & Gorodutse, 2013b; Verschoor, 1998). The identical ought to be proper when communally accountable policies are initiated by a firm to enhanced welfare and the wishes of major stakeholders (McWilliams et al., 2006; Valentine & Fleischman, 2008). Such hard work institutes attractive goals for BSR, which should preferably improve the similarity linking the desires of the corporation and the wishes of workers (Cotchet & Chi, 2012), while this study offer new contribution and used trust on the perspective of an organization.

Business Social Responsibility events should also provide to support the casual agreement between workers and corporation by fulfilling a company's commitment to offer a desirable employment condition for its employees (Cotchet & Chi, 2012; Peloza & Papana, 2008). Earlier study also provided that firm's ethics yields better work pleasure and organizational performances (Berrone, Surroca, & Tribo, 2007; Peloza & Papana, 2008; Hilman & Gorodutse, 2013b; Singhapakdi, Vitell, Rallapalli, & Kraft, 1996).

Organizational culture is described as personality or feelings of firm which influence behavior. Culture is a collection of beliefs, values and an assumption held by an organization and is the level at which company is conducted sensibly or irresponsibly (Ahmad, Veerapandian, & Ghee, 2011; Gorodutse & Hilman, 2013d; Schein, 1992). Organizational culture guides behavior that determines service quality, ethical consideration and fair treatment of stakeholders (Ahmad et al., 2011; Gorodutse & Hilman, 2013d; Hemdon, Fraedrich, & Yeh,

2001). However, organizational culture depending on its kind is anticipated to absolutely or negatively have an effect on BSR (Galbreath, 2010). Scholars argues that an over emphasis has been placed on investigating the substance of BSR actions to the detriment of studying the inner factors that may form or constrain such actions (Galbreath, 2010; Gorondutse & Hilman, 2013d), Unfortunately, theoretical relation between organizational construct such commitment, trust of BSR, perceived ethics and organizational culture are very few or no empirical evidence in the Nigerian context. Absence of these important practices have somewhat resulted to organization's neglect for social responsibility behaviors toward stakeholders.

However, firm performance, is one of the most relevant constructs in the field (Gorondutse & Hilman, 2013d; Hilman & Gorondutse, 2013b; Pelozo & Papania, 2008), and the construct is commonly used as the final dependent variable (Richard, Devinney, Yip, & Johnson, 2009) in various fields (Hilman & Gorondutse, 2013b; Pelozo & Papania, 2008). Despite its relevance, research into firm performance suffers from problems such as lack of consensus, selection of indicators based on convenience and little consideration of its dimensionality (Combs, Crook, & Shook, 2005; Hilman & Gorondutse, 2013b; Richard, Devinney, Yip, & Johnson, 2009). Many studies measure firm performance with a single indicator and represent this concept as one-dimensional, even while admitting its multidimensionality (Hilman & Gorondutse, 2013b).

3. Methodology

In this section the data assessment was carried out with the aid of both descriptive and inferential statistics using SPSS 18 version software. For example, simple descriptive statistics, Mahalanobis distance, correlation analysis were engaged. In addition, the sample of this study derived from the small scale industries in Nigeria. Purposive sampling design was used to collect data. Hence, 486 useable responses were retrieved from the small scale industries in Kano state Nigeria.

4. Results and Discussion

This section present result and discussion, out of the 800 copies of questionnaires circulated, a sum of 514 copies were finally completed, giving a response rate of 64%. A reasonably far above response rate was achieved which is above expected rate of response and as a result of the researcher's persistence for on the stain achievement of the questionnaire. Furthermore, the researcher used a technique of motivation by providing a form of a pen, which to a great degree encouraged a great numeral of the participants to take part in the exercises. Moreover, in trying to address the issues of preliminary analysis, it result in deleting twenty eight copies of questionnaire and consequently not painstaking and not eligible to be part of the analysis. Thus, a sum of 486 copies of questionnaire was live in order to continue with the preliminary exercises.

The descriptive analysis reveals that 31.1% were General Manager, 29.8% were different categories of Managers and 29.4% were Chief executive/Owner of business. Descriptive statistic show that the respondents were less than 5 years of their existence in the business with 35%, followed by the range of 5-10 years, which was 32.5%; followed by the range bracket of 11-20 years with 22.6%; the range bracket of 21-40 years with 7.4%, and, finally the range bracket of 40 years and above with 2.5%. It can be clearly seen that most of the respondents, over 80%, are still within the range of target of this study (see Table1 for this and the subsequent descriptive statistic).

Similarly, for the business location of the respondents, the analysis shows that the Headquarter were outnumber than the remaining groups constituting 64% of the total respondents. This followed by Division location with 17.9%; then by subsidiary and others respondents in that order. The descriptive analysis reveals that a large percentage of the respondents owned their business on individual basis. For example, 48.1% of the respondents owned business on individually; followed by 32.7% of the respondents with partnership; 12.1% with joint ventures and others with 7.2%. With regards to the number of employees in the business, the descriptive statistics shows that the respondents with ranging less than twenty employees were more with 52.7%, followed by those with between 21 and 40 employees with 17.7%, followed by those with 61 and 80 employees with 12.8%, then those with between 80 and above employees and those with 41 and 60 employees in that order.

Furthermore, the descriptive statistic shows that the activities of business were more with Food and Beverages with 25.5%, followed by Poultry with 20%; then Textile Materials with 13.6%, Weaving & Dying with 10.7%, Furniture and Equipment with 10.5%, Others with 8.2%, Recycling with 7% and Tobacco Product with 4.5%. The initial analysis assesses the Total Assets of the respondents based on the activities they operate. It reveals that close to the half of the respondents 1-100million (1million naira is equivalent to USD6250), precisely 43.8%, followed by less than 1million with 34.6%, followed by 101-200million with 10.7%, followed by 201-300million and 301-Above with 5.8% and 5.1%, respectively. 301-Above is the least among Total Assets of the business by the respondents. These perhaps indicate that the businesses are small in nature. Based on the

above, it could be summarized that the respondents who participated in the research provided adequate variance regarding their backgrounds. Hence, the data used in the study were provided by respondents from diverse economic backgrounds (see Table 1).

Table 1. Summary of respondents' demography

S/N	Items	Frequency	Percentage
1	Job Title		
	Chief executive/owner	151	29.4
	General Manager	160	31.1
	Managers	153	29.8
	Others	50	9.7
2	Years of Existence		
	Less than 5 years	180	35
	5-10years	167	32.5
	11-20years	116	22.6
	21-40years	38	7.4
	Above 40years	13	2.5
3	Organization Location		
	Headquarters	329	64
	Division	92	17.9
	Subsidiary	43	8.4
	Others	50	9.7
4	Ownership of the Organization		
	Individual	247	48.1
	Partnership	168	32.7
	Joint ventures	62	12.1
	Others	37	7.2
5	Number of employee in your organization		
	Less than 20	271	52.7
	21-40	91	17.7
	41-60	39	7.6
	61-80	66	12.8
	Above 80	47	9.2
6	Organization Activities		
	Food and Beverages	131	25.5
	Tobacco Product	23	4.5
	Textiles Materials	70	13.6
	Weaving and Dyeing	55	10.7
	Furniture and Equipment	54	10.5
	Recycling	36	7
	Poultry	103	20
	Others	42	8.2
7	Total assets at the end of year		
	Less than 1 million naira	178	34.6
	1-100 million naira	225	43.8
	101-200 million	55	10.7
	201-300 million naira	30	5.8
	301 million-Above	26	5.1

4.1 Test of Non-Response Bias

Non-response bias has been defined as the mistake a researcher expects to make while estimating a sample characteristic because some types of survey respondents are under-represented due to non-response (Berg, 2002). It is well explained in the literature that “there is no minimum response rate below which a survey estimate is necessarily biased and, conversely, no response rate above which it is never biased” (Singer, 2006, p. 641). However, no matter small the non-response, there is a possible bias which must be investigated (Pearl & Fairley, 1985; Sheikh, 1981), thus the need for conducting the non-response bias analysis for this study.

While as shown Table 2, respondents were categorized in to two independent samples based on their response to survey questionnaires regarding five main survey variables (Commitment, Trust, Perceived Ethics, Organizational Culture, and Performance). The most common the standard ways to test for non-response bias for this research is to contrast the responses of those who responded to the questionnaires distributed early before end of August, 2013 (i.e., before Sallah break) and those who responded to the questionnaires distributed after August, 2013 (i.e., after Sallah break). Looking at the table below, it might be seen generally that range mean and standard deviation for early response and late response are distinctly diverse. The 2 tailed t test result (Table 3) shows that there is no significant disparity with respect to the early respondents and behind based on Commitment ($t = 1.487, p < 0.066$), Trust ($t = .718, p < 0.398$), Perceived ethics ($t = 1.003, p < 0.316$), Organizational culture ($t = .332, p < 0.740$) and Performance ($t = 1.631, p < 0.104$). Therefore, based on the t test results it can be fulfilled that there is almost no dissimilarity between the early participants and late participants, and, consequently, no dilemma of non-response bias (see Table 2 & 3).

Table 2. Group descriptive statistics for early and late respondents

	Response Bias	N	Mean	Std. Deviation	Std. Mean Error
Commitment	Early response	360	5.29	.978	.052
	Late response	126	5.43	.609	.054
Trust	Early response	360	5.59	.652	.034
	Late response	126	5.63	.460	.041
Perceived Ethics	Early response	360	5.43	.639	.034
	Late response	126	5.36	.615	.055
Organizational Culture	Early response	360	5.33	.596	.031
	Late response	126	5.31	.547	.049
Performance	Early response	360	5.25	.708	.037
	Late response	126	5.36	.611	.054

Table 3. Independent samples T-test for equality of means Leven' Test for equality of variance

	F	Sig.	T	df	Sig. (2 tailed)	Mean Difference	Std. Error Difference	95 Confidence of the difference Lower	Interval Upper	
OC	Equal variance (Assumed)	12.926	.000	1.487	484	.138	1.3814	.09287	.32061	.64433
	Equal variance (Not assumed)			1.845	351.871	.066	1.3814	.07488	.28540	.00912
TR	Equal variance (Assumed)	18.271	.000	.718	484	.473	.04524	.06299	.16901	.07853
	Equal variance (Not assumed)			.846	309.4	.398	.04524	.05347	.15045	.05997

	F	Sig.	T	df	Sig. (2 tailed)	Mean Difference	Std. Error Difference	95 Confidence of the difference Lower	Interval Upper
assumed)									
PE Equal variance (Assumed)	.774	.379	1.003	484	.316	.06567	.06549	.06300	.19434
PE Equal variance (Not assumed)			1.022	226.062	.308	.06567	.06429	.06101	.19236
CU Equal variance (Assumed)	.002	.964	.332	484	.740	.02004	.06044	.09872	.13880
CU Equal variance (Not assumed)			.346	236.345	.730	.02004	.05798	.09419	.13427
OP Equal variance (Assumed)	2.100	.184	1.631	484	.104	.11559	.07087	.25485	.02367
OP Equal variance (Not assumed)			1.750	250.817	.081	.11559	.06603	.24564	.01446

4.2 Getting Data Ready for Analysis

The returned hand delivery questionnaire was serializing on top each questionnaire; this can help in identifying and distinguished the late and early respondent. The questionnaire has a code to make it easy to trace and check, in addition, the data was keyed into the SPSS accordingly.

4.2.1 Coding

The essences of coding is to make it easy for identifying the items, therefore, an effort was made while designing the questionnaire to ensure that all items had a number to help when keying in the data. The coding is based on the number and unique variable name. After that the code will be recorded in the code book containing all the constructs in the questionnaire.

4.2.2 Editing Data

The returned questionnaires were checked for incompleteness the questionnaire that was returned unanswered were discarded and marked as "blank". Similarly questionnaires with a substantial number of items (for example 25%) left unanswered were also discarded, for a question with only two or three items left black, the discussion is in missing data section.

4.2.3 Recording

The wording of several items, as item 17, item 24 and item 43 that represent perceived ethics, organizational culture and performance section respectively, were reversed to help reduced response bias. The procedure for reversing item 17, 24 and 43 was done according to the steps outline by (Pallant, 2001).

4.3 Missing Data

In view of the effect of missing data in analysis, the researcher took preventive achievement right from the field of data collection in an effort to decrease their rate. On receipt of the finished questionnaires', the researcher/research assistance rapidly checked from beginning to end to make sure that all questions were properly answered. In box a participant unseen a question(s) he/she was instantly required to gently fill the questionnaire properly (Maiyaki & Moktar, 2011). Thus, this helps significantly in decreasing the figure of missing data in the examination. Following putting the data into SPSS software, first round descriptive statistics was run to recognize whether or not there were missing data. The descriptive statistics exposed that two cases

had significant missing values and seemed to be at random, and therefore, were removed from further analysis (Maiyaki & Moktar, 2011). This is in line with the suggestion of Hair et al. (2010) that any case with more than 50% missing data should be removed as extensive as the sample is sufficient (Maiyaki & Moktar, 2011). Moreover, a process for treatment missing data is to basically drop the case Tabachnick and Fidell (2007) view that. In addition, the statistics information reveals that another one case had inconsequential missing values of 1. For this reason, the value was treated in the course of SPSS SMEANS. Similarly, inspection and substitute of missing data is predominantly essential because PLS-SEM is very responsive to missing data, and as a result, it was adequately checked (Maiyaki & Moktar, 2011). Additionally, PLS software does not run the data with missing values.

4.4 Assessment of Outliers

Apart from missing data, another significant step of data screening is the evaluation and handling of outliers, which are the excessive case scores that may likely have a considerable negative impact on the outcomes (Maiyaki & Moktar, 2011). Outlier cases typically have an uncommonly high or low value, a construct or a distinctive mixture of values across numerous constructs, which makes the examination stand out from the remaining (Bryn, 2010; Hair et al., 2010). Thus, using multivariate analysis may confirm the detection and handling of outliers consequently. Therefore, all the two; univariate and multivariate outliers were checked in this study. Univariate outliers were checked using SPSS by detecting cases with large z-score values. Hence, cases with standardized z-score values of more than 3.29 are considered to be potential univariate outliers (Tabachnick & Fidell, 2007). Moreover, with respect to the suggestion of Tabachnick and Fidel (2007) Mahalanobis Distance (D) was conducted to discover and deal with multivariate outlying cases (Hair et al., 2010). The method is to run Mahalanobis in the SPSS and then judge against the values with that of the Chi-square table (Tabachnick & Fidell, 2007). Known that 49 items were adapted, representing the degree of freedom in the X^2 table with $P < 0.001$, so the standard is 85.35 (Tabachnick & Fidell, 2007). This means that any figure with a Mahalanobis Distance of 85.35 and higher than is a multivariate outlier and should be removed. In this vein, 8 cases were establish to be 85.35 and above, and, consequently, representing multivariate outlier and were removed from continuation in the analysis.

4.5 Normality Test

Normality is the mainly significant postulation in multivariate analysis (Tabachnick & Fidell, 2007; Hair et al., 2010). It deals with the nature of data circulation for an individual regularly construct and its association to normal distribution (Tabachnick & Fidell, 2007). Furthermore, when the final aim of research is to make inference, then screening for normality is a significant step in nearly all multivariate analysis (Hair et al., 2010; Tabachnick & Fidell, 2007). Accordingly, all the two; the univariate and multivariate normality were examined. The preliminary test of normality reveals that there was a sign of non-normality, which was revealed by calculating the Z-score values for each item. As a few cases had a Z-value of more than ± 2 and broaden above the variables. Subsequently, after the transformation, the Skewness and Kurtosis of all the items are within the acceptable range of < 2 and < 7 respectively. For instance, skewness values are less than 2; similarly, the kurtosis values, are less than 7. Perhaps this is in line with the examination of Tabachnick and Fidell, (2007) that data transformation improves outcome, and that normality should be re-checked after normalization (Maiyaki & Moktar, 2011).

In knowing that homoscedasticity test is related to the assumption of normality, if the data is fairly normal, then the relationships between the variables is assumed to be homoscedastic and, thus, heteroscedasticity is absent (Tabachnick & Fidell, 2007). The fact that, both the multivariate and univariate normality are confirmed in this study, it could be concluded that, the assumptions of homoscedasticity, and, the absence of heteroscedasticity are achieved.

4.6 Multicollinearity

Multicollinearity is a predicament that happens when the independents variables are extremely interrelated to as high as 0.9 and above (Tabachnick & Fidell, 2007). As soon as two or above constructs are excessively interrelated, they enclose unnecessary information, and for that reason, not all of them are required in the same analysis, since they enhance or increase the size of error terms, and, thus, grow weaker the analysis (Maiyaki & Moktar, 2011). If the multicollinearity problem is detected, it can be resolved by deleting the offending variables(s). To screen for multicollinearity, Variance Inflation Factor (VIF) and tolerance level were examined via regression results from the SPSS. The general rule of the cut-off points is that the VIF and the tolerance values should not exceed 10 and be supposed to not be less than 0.10, respectively (Hair et al., 2010). From the table 4 it clearly shows that tolerance ranges between 0.693-0.876 considerably > 0.10 . Similarly, VIF ranges

from 1.141-1.443, and, thus, is good enough as being <10 (Tabachnick & Fidell, 2007). Consequently, it is concluded that there is no multicollinearity problem among the exogenous variables.

Table 4. Multicollinearity test based on tolerance and VIF

Exogenous Variables	Collinearity Statistics	
	Tolerance	VIF
Commitment	.876	1.141
Trust	.693	1.443
Perceived Ethics	.695	1.438

To re-confirm the absence of multicollinearity, a Pearson correlation of SPSS was also employed as presented in table 5 below.

Table 5. Correlations among the exogenous variables

Correlations	SPSS
Commitment <--> Trust	.311
Commitment <--> Perceived Ethics	.305
Trust <--> Perceived Ethics	.532

From the table the above table, it is evident that none of the variables are highly correlated with any other variables. For example, based on the Pearson Correlation among other variables range from 0.305-0.532. Specified that all the correlation values are well below the yardstick of 0.9 and above, we could then conclude that there is no problem of multicollinearity among the variables under examination (Hair et al., 2010).

4.7 EFA for Exogenous Variables

In this study all the items constituting the exogenous variables (independent and mediating) were subjected to PCA using SPSS software (Bryn, 2010; Hair et al., 2010; Raykov & Marcoulides, 2006). The notion became essential despite the measures were adopted from previous research; conversely, the measures were not only used in diverse background but were also made to order and costume the research goals. Furthermore, conducting the PCA in order to achieved appropriateness of data for factor analysis was appraised. In addition, normal examination of correlation matrix reveals that a number of coefficients with the values of 0.3 and above, thus filling the first obligation for assessing PCA. Equally the result of this study shows that in correlation matrix, there no figure that is 0.9 and above, this indicate that the data is free from troubles of spectacle or multicollinearity (Hair et al., 2010; Hu & Bentler, 1995; Nunally & Bernstein, 2004). Furthermore, Kaiser-Meyer-OLkin (KMO) measure of sampling adequacy was 0.810 far above the recommended value of 0.6 (Maiyaki & Mouktar, 2011; Kaiser, 1970, 1974). In live with recommendation of Kaiser (1974) values range between 0.5 and 0.7 is mediocre, values between 0.7 and 0.8 are classified as good, values between 0.8 and 0.9 are categorized as great and values that fall above 0.9 are referred to as excellent (Kaiser, 1974). Therefore, the value of 0.810 is this study is great values and hence, the data is consider fitting for factor analysis.

Similarly, in this study the Bartlett's Test of Sphericity was reveals to be statistically significant at $P > 0.001$ sustaining the factorability of correlation matrix. The result indicates that there exist some associations surrounded by the variables under investigation. PCA reveals the presence of eight components with eigenvalues of above 1 explaining the cumulative variance of 67.7%. In addition, communalities in this study signify the amount of the variance in the original variables that is accounted for by the factor solution. Hence, the factor solution should give details at least half of each original variable's variance, so the communality value for each variable should be 0.50 or higher (Kaiser, 1974). Interestingly, all the items have communality value of 0.5 or higher except in the case of "PE04" which has 0.47, thus it has been noted for deletion and in line with (Kaiser, 1974). Therefore, a good number of the items show simple structures by loading highly on only one component; however, few items. In addition, the items that have communality below 0.5; have been considered for deletion during Confirmatory Factor Analysis (CFA) and consistent with (Maiyaki & Mouktar, 2011), Table 6 below shows the factor loadings and communality values for each item (see Table 6).

Table 6. Factor loading and communality for exogenous variables

Items	Loadings	Communality
OC01	.594	.851
OC02	.743	.775
OC03	.589	.759
OC04	.767	.670
OC05	.785	.680
OC06	.784	.721
OC07	.770	.806
OC08	.777	.744
OC09	.773	.713
TR01	.528	.573
TR02	.615	.630
TR03	.628	.590
PE01	.675	.793
PE02	.737	.708
PE03	.580	.513
PE04	.558	.474
PE05	.626	.541
PE06	.463	.640

Extraction Method: Principal Component Analysis.

4.8 EFA for Endogenous Variables

Similar to exogenous variables, all the constructs and items that constitute endogenous variables were subjective to Principal Component Analysis with the aid of SPSS software (Hair et al., 2010). The preliminary analysis reveals that the data is fitting for factor analysis. For example, a visual examination through the correlation matrix reveals that numerals of coefficients have values of 0.3 and above thus fulfilling the first requirement. Furthermore, by observing the correlation matrix again no value was found to be 0.9 or above, thereby satisfying that the data is free from multicollinearity dilemma (Kaiser, 1974; Maiyaki & Moktar, 2011). Similarly, the result of Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy Kaiser, (1974) was 0.812 which above the recommended 0.6 and could be regarded as great (Hair et al., 2010; Kaiser, 1974). In addition the Bartlett's Test of Sphericity is significant at $P < 0.001$ which supports the factorability of correlation matrix. Moreover, the cumulative total variance explained by the mechanism is 67.9% which is relatively rational (Hair et al., 2010; Kaiser, 1974). In addition, with regards to communality most of the items have values of 0.5 and above except (BU01 .455; BU06 .340; IN16 .489). So items were marked for deletion in the subsequent analysis. Table 7 provides the detail of factor loadings and communalities for each item of the endogenous constructs (see Table 7).

Table 7. Factor loading and communality for endogenous variables

Items	Loadings	Communality
BU01	.646	.455
BU02	.817	.769
BU03	.821	.759
BU04	.862	.815
BU05	.763	.709
BU06	.341	.340
BU07	.588	.606
BU08	.532	.653
IN09	.472	.645

Items	Loadings	Communality
IN10	.632	.558
IN11	.575	.618
IN12	.628	.762
IN13	.789	.672
IN14	.768	.698
IN15	.612	.752
IN16	.397	.489
SP17	.519	.520
SP18	.770	.644
SP19	.737	.702
SP20	.526	.610
SP21	.683	.721
SP22	.707	.667
SP23	.737	.683
SP24	.674	.685
OP01	.653	.646
OP02	.652	.828
OP03	.828	.758
OP04	.847	.774
OP05	.725	.760
OP06	.652	.735
OP07	.673	.707

Extraction Method: Principal Component Analysis.

5. Conclusion

Based on the results in this study it shows that the a small amount of missing values have been replaced using mean value replacement as suggested by Hair et al. (2013), since the value are less than 5%. Similarly, the univariate and multivariate outliers were removed in line with (Hair et al., 2010; Tabbannik & Fidell, 2007), as a results the data established to be a normally spread and also there was no dilemma of non-response bias, consequently, it could be absolute state that the data is completely screened and cleaned ready for multivariable analysis (Hair et al., 2010; Tabbannik & Fidell, 2007). In addition, the convergence of most of the factors into different components with high factor loadings, confirms that the variables are actually measuring different constructs as hypothesized. This is in line with the result of multicollinearity which was found to be absent (Hair et al., 2010; Tabbannik & Fidell, 2007). Therefore, the above results it is hereby confirmed that the data has deserved the most imperative postulations and needs to the stage multivariate analysis. Thus, the findings will give an insight to further analysis its hope to provide understanding of how and why this may be diverse in a perspectives rising environment.

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